CALLOWAY
REAL ESTATE INVESTMENT TRUST

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2009

Dated: February 24, 2010

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GLOSSARY

The following terms used in this annual information form have the meanings set out below. Unless the context otherwise requires, any reference in this annual information form to any agreement, instrument, indenture, declaration or other document shall mean such agreement, instrument, indenture or other document, as amended, supplemented and restated at any time and from time to time prior to the date hereof or in the future.

"**4.51% Debentures**" means the Series A senior unsecured debentures of Calloway due September 22, 2010 bearing interest at an annual rate of 4.51% per annum;

"**5.37% Debentures**" means the Series B senior unsecured debentures of Calloway due October 12, 2016 bearing interest at an annual rate of 5.37% per annum;

"**5.75% Convertible Debentures**" means the convertible unsecured subordinated debentures of Calloway due June 30, 2017 bearing interest at an annual rate of 5.75% per annum;

"**6% Convertible Debentures**" means the convertible unsecured subordinated debentures of Calloway due June 30, 2014 bearing interest at an annual rate of 6% per annum;

"**6.65% Convertible Debentures**" means the convertible unsecured subordinated debentures of Calloway due June 30, 2013 bearing interest at an annual rate of 6.65% per annum;

"**7.95% Debentures**" means the Series D senior unsecured debentures of Calloway due June 30, 2014 bearing interest at an annual rate of 7.95% per annum;

"**10.25% Debentures**" means the Series C senior unsecured debentures of Calloway due April 14, 2014 bearing interest at an annual rate of 10.25% per annum;

"Acquisition 1 Properties" means the 9 properties acquired from SmartCentres in October 2003;

"Acquisition 2 Properties" means the 12 properties acquired from the Partnership in February 2004;

"**Acquisition 3 Properties**" means the 12 properties acquired from the Partnership in May 2004;

"**Acquisition 4A Properties**" means the 6 properties acquired from the Partnership in November 2004;

"**Acquisition 4B Properties**" means the 8 properties acquired from the Co-ownership in March 2005;

"**Acquisition 5 Properties**" means the 45 properties acquired from SmartCentres, Wal-Mart Canada Realty Inc. and other vendors in July 2005;

"**Acquisition 6 Properties**" means the 4 properties acquired from SmartCentres in April 2006;

"**Acquisition 7 Properties**" means the 14 properties acquired from SmartCentres and other vendors in December 2006;

"Acquisition 8 Properties" means the 3 properties acquired from SmartCentres and other vendors in July 2007;

"Acquisition 9 Properties" means the 6 properties acquired from SmartCentres and Wal-Mart Canada Realty Inc. in June 2008;

"**Adjusted Funds From Operations**" is more specifically described in the management's discussion and analysis of results of operations and financial condition issued by Calloway from time to time but, generally speaking means the net income of Calloway plus non-cash items including, but not limited to, amortization of building, deferred costs, intangible assets, and gains on dispositions less sustaining capital and leasing expenditures;

"**Adjusted Unitholders' Equity**" means, at any time, the aggregates of the amount of Unitholders' equity and the amount of accumulated depreciation recorded in the books and records of Calloway in respect of its properties, calculated in accordance with generally accepted accounting principles;

"Board of Trustees" means the board of trustees of Calloway;

"**Business Day**" means any day other than a Saturday, Sunday or a day on which the principal chartered banks located at Calgary, Alberta are not open for business during normal banking hours;

"**Calloway**" means Calloway Real Estate Investment Trust, an unincorporated open-end trust established under the Declaration of Trust and governed by the laws of the Province of Alberta and, where the context requires, includes its subsidiaries;

"**Calloway GP**" means Calloway GP Inc., a corporation incorporated under the *Business Corporations Act* (Alberta) and the general partner of Calloway LP;

"**Calloway LP**" means Calloway Limited Partnership, a limited partnership formed under the laws of the Province of Alberta;

"**Calloway LP II**" means Calloway Limited Partnership II, a limited partnership formed under the laws of the Province of Alberta;

"**Calloway LP II Inc.**" means Calloway LP II Inc., a corporation incorporated under the *Business Corporations Act* (Alberta) and the general partner of Calloway LP II;

"**Calloway LP Agreement**" means the amended and restated limited partnership agreement governing Calloway LP dated as of June 13, 2008;

"**Calloway LP II Agreement**" means the limited partnership agreement governing Calloway LP II dated as of February 6, 2006;

"**Canada Yield Price**" means a price equal to the price of the 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures or the 10.25% Debentures, as applicable, calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated at 10:00 a.m. (Toronto time) on the date on which Calloway gives notice of redemption of the 4.51% Debentures, 5.37% Debentures, 7.95% Debentures or the 10.25% Debentures, as applicable, pursuant to the trust indenture governing the 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures and the 10.25% Debentures plus:

(a) 0.26% in the case of the 4.51% Debentures,
(b) 0.34% in the case of the 5.37% Debentures,
(c) 1.33% in the case of the 7.95% Debentures, and
(d) 2.10% in the case of the 10.25% Debentures.

"**Co-ownership**" means the Wal-Mart-SmartCentres Co-ownership;

"**CPI**" means Calloway Properties Inc.;

"**Debentures**" means, collectively:

(a) the 4.51% Debentures,
(b) the 5.37% Debentures,
(c) the 5.75% Convertible Debentures,
(d) the 6% Convertible Debentures,
(e) the 6.65% Convertible Debentures,
(f) the 7.95% Debentures, and
(g) the 10.25% Debentures;

"**Declaration of Trust**" means the declaration of trust dated December 4, 2001, as amended and restated as of October 24, 2002, October 31, 2003, January 16, 2004, July 7, 2005, May 16, 2006 and September 14, 2009;

"**Development Agreements**" means, collectively, the Development Agreements 1, Development Agreements 2, Development Agreements 3, Development Agreements 4A, Development Agreements 4B, Development Agreements 6, Development Agreements 8 and Development Agreements 9;

"**Development Agreements 1**" means the development agreements, as amended from time to time, between Calloway and SmartCentres respecting future developments on the Acquisition 1 Properties;

"**Development Agreements 2**" means the development agreements, as amended from time to time, between Calloway and the Partnership respecting future developments on the Acquisition 2 Properties;

"**Development Agreements 3**" means the development agreements, as amended from time to time, between Calloway and the Partnership respecting future developments on the Acquisition 3 Properties;

"**Development Agreements 4A**" means the development agreements, as amended from time to time, between Calloway and the Partnership respecting future developments on the Acquisition 4A Properties;

"**Development Agreements 4B**" means the development agreements, as amended from time to time, between Calloway and the Partnership II respecting future developments on the Acquisition 4B Properties;

"**Development Agreements 6**" means the development agreements, as amended from time to time, between Calloway and SmartCentres respecting future developments on the Acquisition 6 Properties;

"**Development Agreements 8**" means the development agreements, as amended from time to time, between Calloway and SmartCentres respecting future developments on the Acquisition 8 Properties;

"**Development Agreements 9**" means the development agreements, as amended from time to time, between Calloway and SmartCentres and Wal-Mart Canada Realty Inc. respecting future developments on the Acquisition 9 Properties;

"**Distribution Date**" means, with respect to a distribution by Calloway, a Business Day determined by the Trustees for any calendar month to be on or about the 15th day of the following month;

"Distribution Reinvestment Plan" means the distribution reinvestment plan adopted by the Trustees;

"**Exchange Agreement 5**" means the exchange, option and support agreement, as amended from time to time, between Calloway and the vendors of the Acquisition 5 Properties respecting, among other matters, future developments on the Acquisition 5 Properties and the exchange of the LP Class B Series 1 Units for Units of Calloway;

"**Exchange Agreement 7**" means the exchange, option and support agreement, as amended from time to time, between Calloway and the vendors of the Acquisition 7 Properties respecting, among other matters, future developments on the Acquisition 7 Properties and the exchange of the LP Class B Series 2 Units and LP Class D Series 2 Units for Units of Calloway;

"**Exchange Agreement 8**" means the option agreement, as amended from time to time, between Calloway and the vendors of the Acquisition 8 Properties respecting, among other matters, future developments on the Acquisition 8 Properties and the exchange of development options for Units of Calloway;

"**Exchange Agreement 9**" means the exchange and support agreement, as amended from time to time, between Calloway and the vendors of the Acquisition 9 Properties respecting, among other matters, future developments on the Acquisition 9 Properties and the exchange of development options for Units of Calloway;

"**Exchange Agreements**" means, collectively, the Exchange Agreement 5, Exchange Agreement 7, Exchange Agreement 8 and the Exchange Agreement 9;

"**Exchangeable Securities**" means any securities of any trust, limited partnership or corporation other than Calloway that are convertible or exchangeable directly for Units without the payment of additional consideration therefore;

"Existing Trust" has the meaning attributed thereto under the section of this annual information form entitled "Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules";

"Existing Trust Exception" has the meaning attributed thereto under the section of this annual information form entitled "Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules";

"Fair Market Value" means at any time, at the option of the Trustees of Calloway either: (i) the fair market value assets of Calloway at such time, as determined by the Trustees of Calloway; or (ii) the fair market value of Calloway calculated as the aggregate outstanding indebtedness of Calloway at such time plus the value obtained when the aggregate number of Units and Exchangeable Securities outstanding at such time is multiplied by the weighted average trading price of the Units on the Toronto Stock Exchange, or such other exchange upon which the Units of Calloway may be listed for trading, for the ten trading days immediately preceding such time;

"**GAAP**" means Canadian generally accepted accounting principles;

"**Government of Canada Yield**" on any date means the yield to maturity on such date, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada bond would carry if issued, in Canadian dollars in Canada, at 100% of its principal amount on such date with a term to maturity equal to the remaining term to maturity of the Debentures, calculated as of the redemption date of the Debentures, such yield to maturity being the average of the yields provided by two major Canadian investment dealers selected by Calloway.

"**Gross Book Value**" means, at any time, the consolidated book value of the assets of Calloway, as shown on its then most recent consolidated balance sheet, plus the amount of accumulated amortization for buildings, tenant improvements, equipment, in place lease values, below and above market leases, and tenant relationship values shown thereon;

"**Growth Guidelines**" has the meaning attributed thereto under the section of this annual information form entitled "Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules";

"**Holdings Trust"** means Calloway Holdings Trust, a trust established under the laws of Alberta;

"**Holdings Trust Declaration of Trust**" means the declaration of trust for Holdings Trust dated as of June 15, 2005;

"**Holdings Trust Unit**" means a unit of Holdings Trust, each such unit representing an equal undivided beneficial interest in Holdings Trust;

"**LP Class A Units**" means the Class A limited partnership units of Calloway LP;

"**LP Class B Series 1 Units**" means the Class B Series 1 limited partnership units of Calloway LP;

"**LP Class B Series 2 Units**" means the Class B Series 2 limited partnership units of Calloway LP;

"**LP Class B Series 3 Units**" means the Class B Series 3 limited partnership units of Calloway LP;

"**LP Class C Series 1 Units**" means the Class C Series 1 limited partnership units of Calloway LP;

"**LP Class C Series 2 Units**" means the Class C Series 2 limited partnership units of Calloway LP;

"**LP Class C Series 3 Units**" means the Class C Series 3 limited partnership units of Calloway LP;

"LP Class D Series 1 Units" means the Class D Series 1 limited partnership units of Calloway LP;

“LP Class D Series 2 Units” means the Class D Series 2 limited partnership units of Calloway LP;

“LP Class E Series 1 Units” means the Class E Series 1 limited partnership units of Calloway LP;

“LP Class E Series 2 Units” means the Class E Series 2 limited partnership units of Calloway LP;

“LP Class F Series 3 Units” means the Class F Series 3 limited partnership units of Calloway LP;

“**LP II Class A Units**” means the Class A limited partnership units of Calloway LP II;

“**LP II Class B Units**” means the Class B limited partnership units of Calloway LP II;

“Market Capitalization” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“**Non-Resident**” means any person that is neither a Resident Canadian nor a Canadian partnership for the purposes of the *Income Tax Act* (Canada);

“**Outside Trustee**” means a Trustee that is not a member of management of Calloway or any of its subsidiaries;

“**Partnership**” means the Wal-Mart-SmartCentres Realty Partnership;

“**Partnership II**” means the Wal-Mart-SmartCentres Realty Partnership II;

“**Person**” means any individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;

“**Plans**” means trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans under the Tax Act;

“**Property Portfolio**” means, collectively, the retail and industrial rental properties owned by Calloway and its subsidiaries;

“**Real Property**” means property which in law is real property and includes, whether or not the same would in law be real property, leaseholds, mortgages, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy, co-ownership, joint venture or otherwise), any interests in any of the foregoing and securities of corporations, trusts, limited partnerships or other legal entities whose sole or principal purpose and activity is to invest in, hold and deal in real property;

“REIT” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“REIT Exception” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“Resident Canadian” means an individual who is a resident of Canada for purposes of the Tax Act;

“**SIFT**” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“**SIFT Rules**” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“**SmartCentres**” means, collectively, Mitchell Goldhar, the SmartCentres Shopping Centres group of companies and related and affiliated parties;

“**Special Unitholders**” means the holders from time to time of Special Voting Units;

“**Special Voting Unit**” means a special voting unit of Calloway which may be issued by Calloway from time to time which shall entitle the holder of an Exchangeable Security to such number of votes at meetings of Unitholders as is equal to the number of Units into which such Exchangeable Security (other than an Exchangeable Security owned by Calloway or any subsidiary of Calloway) is then exchangeable or convertible for, provided that the number of Special Voting Units issued to SmartCentres may be increased in certain circumstances. See “Declaration of Trust and Description of Units – Special Voting Units”;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;

“**Transfer Agent**” means Computershare Trust Company of Canada at its principal offices in Toronto, Ontario and Calgary, Alberta;

“**Trustees**” means the trustees from time to time of Calloway;

“**TSX**” means the Toronto Stock Exchange;

“Undue Expansion Rule” has the meaning attributed thereto under the section of this annual information form entitled “Risk Factors – Risks Relating to the Units – Tax Related Risk Factors – SIFT Rules”;

“**Unit**” means a trust unit of Calloway, each such unit representing an equal undivided beneficial interest therein;

“**Unitholders**” means the holders from time to time of Units;

“Voting Units” means collectively, the Units and Special Voting Units; and

“Voting Unitholders” means collectively, the holders from time to time of Units and the holders from time to time of Special Voting Units.

In this annual information form, a person or company is considered to be an **“affiliate”** of another person or company if one is a subsidiary of the other, or if both are subsidiaries of the same person or company, or if each of them is controlled by the same person or company.

In this annual information form, the term **“associate”**, when used to indicate a relationship with a person or company, means:

(a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling the person or company to more than 10% of the voting rights attached to outstanding securities of the issuer;

(b) any partner of the person or company;

(c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity;

(d) in the case of a person, a relative of that person, including:

  (i) the spouse or adult interdependent partner of that person; or

  (ii) a relative of the person's spouse or adult interdependent partner if the relative has the same home as that person;

In this annual information form, a person or company is considered to be **“controlled”** by a person or company if:

(a) in the case of a person or company:

(i) voting securities of the first-mentioned person or company carrying more than 50 percent of the votes for the election of directors or trustees are held, otherwise than by way of security only, by or for the benefit of the other person or company, and

(ii) the votes carried by the securities are entitled, if exercised, to elect a majority of the directors or trustees of the first-mentioned person or company;

(b) in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned person or company holds more than 50 percent of the interests in the partnership; or

(c) in the case of a limited partnership, the general partner is the second-mentioned person or company.

In this annual information form, a person or company is considered to be a **"subsidiary"** of another person or company if:

(a) it is controlled by:

(i) that other, or

(ii) that other and one or more persons or companies each of which is controlled by that other, or

(iii) two or more persons or companies, each of which is controlled by that other; or

(b) it is a subsidiary of a person or company that is the other's subsidiary.

Unless the context otherwise requires, any reference in this annual information form to any agreement, instrument, indenture, declaration or other document shall mean such agreement, instrument, indenture or other document, as amended, supplemented and restated at any time and from time to time prior to the date hereof or in the future.

Words importing the singular number only include the plural and vice versa and words importing any gender include all genders.

All dollar amounts set forth in this annual information form are in Canadian dollars, except where otherwise indicated.

DATE OF INFORMATION

Unless otherwise specified, information in this annual information form is presented as at December 31, 2009, being the last day of the most recently completed financial year of Calloway.

FORWARD LOOKING STATEMENTS

Certain statements in this annual information form are "**forward looking statements**" that reflect management's expectations regarding Calloway's future growth, results of operations, performance and business prospects and opportunities. More specifically, certain statements contained in this annual information form in the sections "Calloway Real Estate Investment Trust – Objectives and Strategy", "Access to Development Projects" and "Risk Factors" regarding Calloway's ability to continue to execute its growth strategy, make additional accretive acquisitions, build a geographically diversified portfolio and obtain additional debt or equity financing are forward looking statements. Also, statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may" and similar expressions or statements relating to matters that are not historical facts constitute forward looking statements. Such forward looking statements reflect management's current beliefs and are based on information currently available to management. These forward looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including, but not limited to, risks associated with real property ownership, debt financing, interest and financing, capital requirements, credit risk, general uninsured losses, developments, future property acquisitions, competition for real property investments, environmental matters, land leases, potential conflicts of interest, and reliance on key personnel. These risks, and others, are more fully discussed under the "Risk Factors" section of this annual information form. Although the forward looking statements contained in this annual information form are based upon what management believes to be reasonable assumptions, Calloway cannot assure investors that actual results will be consistent with these forward looking statements. For example, certain of these statements are made on the assumption that Calloway will be able to obtain new and replacement debt or equity financing on acceptable terms in order to fund certain of its capital requirements and on the expectation that Wal-Mart will continue to be the dominant anchor tenant in the portfolio and that its presence will continue to attract other retailers and consumers (see "Risk Factors – Risks Relating to the Business – Interest and Financing Risk" and "Risk Factors – Risks Relating to the Business – Capital Requirements"). The forward looking statements contained herein are expressly qualified in their entirely by this cautionary statement. These forward looking statements are made as at the date of this annual information form and Calloway assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

NON-GAAP MEASURES

In this annual information form, there are references to "Adjusted Funds From Operations". See the definition of "**Adjusted Funds From Operations**" in the "Glossary".

Adjusted Funds From Operations is a measure sometimes used by Canadian real estate investment trusts as an indicator of financial performance. Management uses Adjusted Funds From Operations to analyze operating performance. As one of the factors that may be considered relevant by prospective investors is the cash distributed by Calloway relative to the price of the Units, management believes that Adjusted Funds From Operations of Calloway is a useful supplemental measure that may assist prospective investors in assessing an investment in Units. Calloway considers Adjusted Funds From Operations to be a meaningful additional measure of cash flow performance as it more clearly measures normalized and stabilized cash flow as opposed to cash flow from operating activities calculated in accordance with generally accepted accounting principles in Canada (**"GAAP"**) which reflects seasonal fluctuations in working capital and other items. Calloway analyzes its cash distributions against Adjusted Funds From Operations to assess the stability of its monthly cash distributions to its Unitholders.

Adjusted Funds From Operations is not a measure that is recognized by GAAP and does not have a standardized meaning prescribed by GAAP. Therefore, Adjusted Funds From Operations may not be comparable to similar measures presented by other issuers. Adjusted Funds From Operations is not intended to represent operating profits for the period nor should it be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with GAAP.

CASH DISTRIBUTIONS

A return on an investment in Units is not comparable to the return on an investment in a fixed-income security. The recovery of an investment in Units is at risk, and any anticipated return on an investment in Units is based on many performance assumptions.

Although Calloway intends to make distributions of a significant percentage of its available cash to its Unitholders, these cash distributions are not assured and may be reduced or suspended. The ability of Calloway to make cash distributions and the actual amount distributed will be dependent upon, among other things, the financial performance of the properties in its Property Portfolio, its debt covenants and obligations, its working capital requirements, its future capital requirements and the impact on Calloway of the SIFT Rules. In addition, the market value of the Units may decline for a variety of reasons including if Calloway is unable to meet its cash distribution targets in the future, and that decline may be significant.

It is important for a person making an investment in Units to consider the particular risk factors that may affect both Calloway and the real estate industry in which Calloway operates and which may therefore affect the stability of the cash distributions on the Units. See the section of this annual information form entitled "Risk Factors" which describes Calloway's assessment of those risk factors, as well as the potential consequences to a Unitholder if a risk should occur. Also see the section of this annual information form entitled "Ratings on Securities".

The after-tax return from an investment in Units to Unitholders that is subject to Canadian income tax can be made up of both a "return on" and a "return of" capital. That composition may change over time, thus affecting a Unitholder's after-tax return. Returns on capital are generally taxed as ordinary income or capital gains in the hands of a Unitholder while returns of capital are generally tax-deferred (and reduce the Unitholder's cost base in the Unit for tax purposes). Distributions of income and returns of capital to a Unitholder who is not resident in Canada for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") or is a partnership that is not a "Canadian partnership" for purposes of the Tax Act may be subject to Canadian withholding tax. Unitholders should consult their own tax advisors with respect to the Canadian income tax considerations in their own circumstances.

RATINGS ON SECURITIES

Dominion Bond Rating Service Limited ("**DBRS**") provides credit ratings of debt securities for commercial entities. A credit rating generally provides an indication of the risk that the borrower will not fulfill its full obligations in a timely manner with respect to both interest and principal commitments. Rating categories range from highest credit quality (generally AAA) to very highly speculative (generally C). DBRS has provided Calloway with a credit rating of BBB with a stable trend relating to all senior unsecured obligations of Calloway including the 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures and the 10.25% Debentures. A credit rating of BBB is generally an indication of adequate credit quality as defined by DBRS.

DBRS also provides stability ratings for real estate investment trusts ("**REITs**") and income trusts. A stability rating generally provides an indication of both the stability and sustainability of the distributions to unitholders by the rated entity. DBRS's rating categories range from highest stability and sustainability of distributions per unit (STA-1) to poor stability and sustainability of distributions per unit (STA-7). DBRS has provided Calloway with a stability rating of STA-3 (high). This rating category reflects good stability and sustainability of distributions per unit.

DBRS has not provided a credit rating on the 5.75% Convertible Debentures, the 6% Convertible Debentures or the 6.65% Convertible Debentures.

The ratings accorded to Calloway are not recommendations to purchase, hold or sell Calloway's securities. There can be no assurance that any rating will remain in effect for any given period of time or that any rating will not be withdrawn or revised by a rating agency at any time.

CALLOWAY REAL ESTATE INVESTMENT TRUST

Declaration of Trust

Calloway Real Estate Investment Trust ("**Calloway**") is an unincorporated "open-end" trust constituted in accordance with the laws of the Province of Alberta pursuant to the Declaration of Trust. Calloway was created to invest in income-producing rental properties located in Canada. The principal and head office of Calloway is located at 700 Applewood Crescent, Suite 200, Vaughan, Ontario L4K 5X3.

Calloway was initially settled pursuant to the Declaration of Trust on December 4, 2001. The Declaration of Trust was amended and restated as of October 24, 2002 to, among other amendments: (i) amend certain definitions in the Declaration of Trust; (ii) amend the minimum and maximum number of trustees to be elected or appointed to the board of trustees (the **"Board of Trustees"**) of Calloway from time to time; and (iii) expand and clarify the investment guidelines and operating policies of Calloway.

The Declaration of Trust was then further amended and restated as of October 31, 2003 to, among other amendments, provide Mitchell Goldhar and the SmartCentres Shopping Centres group of companies and related and affiliated parties ("**SmartCentres**") with the right to appoint certain numbers of trustees to the Board of Trustees, and to certain of the committees of the Board of Trustees, relative to the number of Units held by SmartCentres.

The Declaration of Trust was then further amended and restated as of February 16, 2004 to, among other amendments, include Wal-Mart Canada Corp. as an additional exception to the limitation contained in the Declaration of Trust that limits the ability of Calloway to lease premises to a single tenant where the value of such premises exceeds 20% of the Adjusted Unitholders' Equity of Calloway.

The Declaration of Trust was then further amended and restated as of July 7, 2005 to, among other amendments: (i) amend certain definitions in the Declaration of Trust; (ii) change Calloway from a closed-end mutual fund trust to an open-end mutual fund trust primarily through the addition of redemption rights for the Units; (iii) add a provision allowing for the issuance of Special Voting Units; (iv) amend SmartCentres' right to appoint certain numbers of trustees to the Board of Trustees, and to certain of the committees of the Board of Trustees, relative to the number of Units held by SmartCentres; and (v) add a provision such that SmartCentres will have a right to obtain additional Special Voting Units to maintain its votes at meetings of the Unitholders of Calloway at particular levels. See "Declaration of Trust and Description of Units – Special Voting Units".

The Declaration of Trust was then further amended as of May 16, 2006 to, among other amendments: (i) amend certain definitions in the Declaration of Trust; (ii) amend the investment guidelines and operating policies of Calloway; and (iii) amend the distribution requirements of Calloway.

In order to allow Calloway to conform to new International Financial Reporting Standards in respect of the preparation of its financial statements, Calloway adopted a further amended and restated Declaration of Trust dated September 14, 2009 which removed the obligation of the trustees to pay or declare payable each taxation year an amount equal to such amount as is necessary to ensure that Calloway will not be subject to tax on its net income and net capital gains under Part I of the Tax Act. In addition, the amended and restated Declaration of Trust changed the term of Calloway and the mechanics for termination of Calloway to simplify same and conform these provisions to the provisions relating to term and termination contained in the declarations of trust of other real estate investment trusts.

Although Calloway is a "mutual fund trust" as defined in the Tax Act, Calloway is not a "mutual fund" and is not subject to the requirements of Canadian mutual fund policies and regulations under Canadian securities legislation.

Calloway is not a trust company and, accordingly, is not registered under the *Trust and Loan Companies Act* (Canada) or the trust company legislation of any province as it does not carry on, nor does it intend to carry on, the business of a trust company.

Acquisitions, Dispositions and Loans

2002

During the fall of 2001, the board of directors of Calloway Properties Inc. ("**CPI**") decided to proceed with the reorganization of CPI into an income trust. The reorganization was completed with an effective date of February 13, 2002. Upon completion of the arrangement between CPI and Calloway, the former shareholders of CPI became holders of Units of Calloway and Calloway became the owner of CPI's commercial rental properties. Calloway continued to carry on the business previously carried on by CPI (other than its construction and land development business).

Following completion of the arrangement described above, there were 6,072,692 Units issued and outstanding. On November 4, 2002, those Units were consolidated on an 11.229 for one basis so that there were 540,785 Units outstanding immediately prior to the issuance by Calloway of 5,080,000 Units for gross proceeds of $50,800,000. The new Units were qualified for distribution by a prospectus dated October 24, 2002.

Prior to the closing of the prospectus offering of Units described in the preceding paragraph, Calloway owned four retail properties in Calgary, Alberta totalling 86,905 square feet. On closing of the public offering, Calloway acquired a portfolio of seven income properties located in Western Canada and the Province of Ontario for $96,402,848. Calloway, through its wholly owned subsidiary, also advanced $1,600,000 in mortgage financing for two development projects in Calgary. The balance of the acquisition cost of the income properties was financed by $28,983,498 in mortgages assumed and $21,974,647 of new mortgage financing. On December 31, 2002, the underwriters of that prospectus offering partially exercised their over-allotment option and a further 330,750 Units were issued for gross proceeds of $3,307,500.

Effective November 15, 2002, Calloway acquired the 1558 Willson Place property in Winnipeg from an arm's length party for an aggregate purchase price, including transaction costs, of approximately $4,769,307, payable as to approximately $2.12 million in cash and an additional $2.59 million from proceeds of a new mortgage on this property.

2003

On March 31, 2003, Calloway acquired the Gesco Warehouse and the Ecco Building, each located in Calgary, from an arm's length party for $4,629,845. The consideration paid consisted of assumption of mortgage financings of $2,238,022, advances under the operating facility of $2,175,353, and the remainder by available cash.

On April 30, 2003, Calloway acquired the 1300 Church Avenue property in Winnipeg from an arm's length party for $1,139,240. The consideration paid consisted of advances under the operating facility of $1,050,000 and the remainder by available cash.

Effective May 31, 2003, Calloway acquired the Namao Centre in Edmonton, Alberta from an arm's length party for $6,177,295. The consideration paid consisted of assumption of mortgage financing of $4,227,263, the issuance of 180,632 Units at $10.05 per Unit, and the remainder by available cash.

On June 15, 2003, Calloway sold the Dover Village property in Calgary, Alberta to an arm's length party for $3,380,000. The sale price was settled by the purchaser assuming a mortgage in the amount of $1,929,207, Calloway providing a second mortgage in the amount of $230,000, and the remainder in cash. The property had a carrying value of $2,095,497 and a gain on sale of $1,230,255 was recognized.

On September 30, 2003, Calloway sold the Richter Plaza property in Calgary, Alberta to an arm's length party for $1,250,000. The sale price was settled by the purchaser assuming a mortgage in the amount of $724,872 and the remainder in cash. The property had a carrying value of $1,115,876 and a gain on sale of $123,424 was recognized.

On October 16, 2003, Calloway issued 2,050,000 subscription receipts for gross proceeds of $21,525,000, each subscription receipt being exchangeable for one Unit upon the completion of an acquisition of certain properties by Calloway from SmartCentres. Effective October 31, 2003, Calloway acquired nine properties (the "**Acquisition 1 Properties**") from SmartCentres for $109,238,698 including acquisition costs and the subscription receipts were deemed to have been exchanged for an aggregate of 2,050,000 Units. The consideration paid consisted of assumption of mortgage financing of $63,820,428, the issuance of 3,100,525 Units at $10.00 per Unit to a nominee of SmartCentres, assumption of other adjustment items of $2,375,101, and the remainder in cash. SmartCentres also received warrants to purchase an aggregate of up to 1,000,000 Units at a price of $10.50 per Unit, such warrants being exercisable at any time on or before October 31, 2008.

Concurrently with the closing of the acquisition of the Acquisition 1 Properties, Calloway entered into development agreements with SmartCentres for the undeveloped lands on each of the Acquisition 1 Properties. See "Access to Development Projects – The Acquisition 1 Properties".

2004

On February 16, 2004, Calloway issued 10,948,182 Units at $13.75 per Unit for gross proceeds of $150,537,502. An associate of Mitchell Goldhar, a significant Unitholder of Calloway, subscribed for 1,818,182 of these Units. The Units were qualified for distribution by a prospectus dated January 27, 2004. Also on February 16, 2004, Calloway acquired 12 retail properties (the "**Acquisition 2 Properties**") from the Wal-Mart FirstPro Realty Partnership (the "**Partnership**"). The purchase price of the properties was $312,604,214 including costs of acquisition. The purchase price, net of adjustments, was satisfied via new debt financing on ten of the properties totalling $191,650,000, by the vendors providing non-interest bearing mortgages on two of the properties totalling $12,912,723, and by the payment of the balance in cash. Excess funds from the equity and debt issues, net of issuance costs, were used to repay variable rate debt obligations. The 12 centres included in the Acquisition 2 Properties comprised approximately 2,402,329 square feet of leased area and included adjacent lands with the potential for future development of approximately 432,879 square feet of retail space, for a total potential area of 2,835,208 square feet. Upon closing of the transaction, Wal-Mart Canada Corp. ("**Wal-Mart**"), which leased space in all 12 of the centres, made up approximately 26% of Calloway's gross rental revenue. At the time of the transaction, First Professional Realty Inc., one of the partners of the Partnership, was controlled by Mitchell Goldhar, a significant Unitholder of Calloway, and was affiliated with SmartCentres. First Professional Realty Inc. had a 40% interest in the Partnership while Wal-Mart Canada Realty Inc. had a 60% interest in the Partnership.

Concurrently with the closing of the acquisition of the Acquisition 2 Properties, Calloway entered into development agreements with the Partnership for the undeveloped lands on each of the Acquisition 2 Properties. See "Access to Development Projects – The Acquisition 2 Properties".

On May 4, 2004, Calloway completed the acquisition of 50% and 49% undivided interests, respectively, in two retail properties pursuant to an assignment of purchase agreement between SmartCentres and the previous owner. The purchase price of this interest was $52,375,529 including costs of acquisition. Under the terms of the assignment, Calloway loaned an additional $9,400,000 at 9% per annum to SmartCentres to replace mezzanine loans payable by SmartCentres to one of the vendors of the properties. The purchase price (net of adjustments) was satisfied via bridge financing totalling $33,500,000, by the assumption of existing mortgages totalling $29,105,655, and by an allocation to working capital of the balance. These properties comprised approximately 338,548 square feet of leased area.

On May 14, 2004, Calloway issued 6,700,000 Units at $15.00 per Unit for gross proceeds of $100,500,000 and issued 6% convertible unsecured subordinated debentures for gross proceeds of $55,000,000 (the "**6% Convertible Debentures**"). The Units and 6% Convertible Debentures were qualified for distribution by a prospectus dated April 30, 2004. Also on May 14, 2004, Calloway completed the acquisition of an additional 12 retail properties (the "**Acquisition 3 Properties**") from the Partnership. The purchase price of the Acquisition 3 Properties was $287,564,135 including costs of acquisition. The purchase price, net of adjustments, was satisfied via new debt financing on eight of the properties totalling $140,315,000, by the vendors providing non-interest bearing mortgages on two of the properties totalling $11,651,592 and an interest bearing mortgage on one of the properties for $19,500,000, and by the payment of the balance in cash. Excess funds from the equity and debenture issues, net of issuance costs, were used to repay the bridge financing. The 12 additional centres included in the Acquisition 3 Properties comprised approximately 2,391,000 square feet of leased area and included adjacent lands with the potential future development of approximately 281,000 square feet of retail space, for a total potential area of 2,672,000 square feet. Upon closing of the transaction Wal-Mart, which leased space in all 12 of the centres, made up approximately 31.2% of Calloway's gross rental revenue. At the time of the transaction, First Professional Realty Inc., one of the partners of the Partnership, was controlled by Mitchell Goldhar, a significant Unitholder of

Calloway, and was affiliated with SmartCentres. First Professional Realty Inc. had a 40% interest in the Partnership while Wal-Mart Canada Realty Inc. had a 60% interest in the Partnership.

Concurrently with the closing of the acquisition of the Acquisition 3 Properties, Calloway entered into development agreements with the Partnership for the undeveloped lands on each of the Acquisition 3 Properties. See “Access to Development Projects – The Acquisition 3 Properties”.

On October 13, 2004, Calloway entered into agreements to purchase interests in 14 additional retail properties (the “**Acquisition 4 Properties**”) from the Partnership and from the Wal-Mart-FirstPro Realty Co-ownership (the “**Co-ownership**”). On November 18, 2004, Calloway issued by private placement 2,320,000 Units at $17.25 per Unit for total proceeds of $40,020,000. On November 30, 2004, Calloway completed the acquisition from the Partnership of 6 of the 14 properties (the “**Acquisition 4A Properties**”). The purchase price of the Acquisition 4A Properties was $71,521,036 including costs of acquisition. The purchase price, net of adjustments, was satisfied via new debt financing totalling $36,100,000, by the vendors providing a non-interest bearing mortgage totalling $5,738,276, and by the payment of the balance in cash. The 6 centres included in the Acquisition 4A Properties comprised approximately 516,000 square feet of leased area and included adjacent lands with the potential future development of approximately 206,000 square feet of retail space, for a total potential area of 722,000 square feet. Upon closing of the transaction Wal-Mart, which leased space in 3 of the 6 centres, made up approximately 32.2% of Calloway’s gross rental revenue. At the time of the transaction, First Professional Realty Inc., one of the partners of the Partnership, was controlled by Mitchell Goldhar, a significant Unitholder of Calloway, and was affiliated with SmartCentres. First Professional Realty Inc. had a 40% interest in the Partnership while Wal-Mart Canada Realty Inc. had a 60% interest in the Partnership.

Concurrently with the closing of the acquisition of the Acquisition 4A Properties, Calloway entered into development agreements with the Partnership for the undeveloped lands on each of the Acquisition 4A Properties. See “Access to Development Projects – The Acquisition 4A Properties”.

During 2004, Calloway completed the purchase of an additional 147,381 square feet of developed space from SmartCentres and the Partnership for $24,369,235 (including land and existing improvements value of $4,933,875) under the terms of the Development Agreements (i.e. earn-outs). The consideration paid consisted of: the issuance to SmartCentres of 139,311 Units at a price of $10.00 per Unit, 30,773 Units at a price of $10.50 per Unit, 210,574 Units at a price of $14.00 per Unit and 335,959 Units at a price of $15.25 per Unit; assumption of development loans and accounts payable; and the balance in cash. In addition, Calloway repaid acquisition and development loans provided by the Partnership.

During 2004, Calloway entered into agreements with SmartCentres in which Calloway agreed to lend up to $37.3 million for the purpose of acquiring and developing certain additional properties. These loans bore interest at 8.75% to 9.25% and were secured by first or second charges on property, assignments of rents and leases and general security agreements. Calloway was granted an option to acquire a 50% interest in the properties upon substantial completion at an agreed upon formula. As at December 31, 2004 mortgages receivables totalling $21.5 million had been provided pursuant to these agreements.

2005

On January 10, 2005, Calloway sold both its Holland Cross property, a 272,550 square foot office property in Ottawa, and its Century Park Place property, a 75,675 square foot office property in Calgary, to two separate vendors for aggregate proceeds of $69,250,000. These dispositions were undertaken by Calloway to continue its focus on retail properties.

On January 20, 2005, Calloway completed the acquisition of a 42,431 square foot retail property in Montreal, Quebec. The purchase price of the property was $9,397,870 including costs of acquisition. The purchase price was paid in cash.

On February 11, 2005, Calloway acquired a 74,701 square foot retail property in Sarnia, Ontario. The purchase price of the property was approximately $13,350,000 including costs of acquisition. The purchase price was satisfied by assumption of existing mortgage of $7,978,889 and by payment of the balance in cash.

On February 24, 2005, Calloway issued by private placement 3,101,000 Units at $19.35 per Unit for total proceeds of $60,004,350.

On March 10, 2005, Calloway completed the acquisition from the Co-ownership of the remaining eight properties it agreed to purchase on October 13, 2004 (the "**Acquisition 4B Properties**"). The purchase price of the Acquisition 4B Properties was approximately $230,000,000 including costs of acquisition. The purchase price, net of adjustments, was satisfied via new debt financing totalling $155,210,000, by the vendors providing a non-interest bearing mortgage totalling $5,996,523, and by the payment of the balance in cash. The eight additional centres included in the Acquisition 4 Properties comprised approximately 1,498,046 square feet of leased area and included adjacent lands with the potential future development of approximately 177,682 square feet of retail space, for a total potential area of 1,675,728 square feet. Upon closing of the transaction Wal-Mart, which leased space in all eight of the centres, made up approximately 34.2% of Calloway's gross rental revenue. At the time of the transaction, First Professional Realty Inc., one of the co-owners of the Co-ownership, was controlled by Mitchell Goldhar, a significant beneficial Unitholder in Calloway, and was affiliated with SmartCentres. First Professional Realty Inc. had a 40% interest in the Co-ownership Properties while Wal-Mart Canada Realty Inc. had a 60% interest in the Co-ownership Properties.

Concurrently with the closing of the acquisition of the Acquisition 4B Properties, Calloway entered into development agreements with the Wal-Mart-FirstPro Realty Partnership II (the "**Partnership II**") for the undeveloped lands on each of the Acquisition 4B Properties. See "Access to Development Projects – The Acquisition 4B Properties".

On April 15, 2005, Calloway completed the sale of Collingwood Plaza, a 7,210 square foot retail building in Calgary, for gross proceeds of $1,275,000.

On May 18, 2005, Calloway completed the sale of the Lowson Crescent, Church Avenue and Waverley industrial buildings for gross proceeds of $9,300,000. The purchaser assumed mortgages totalling $5,269,000.

On May 20, 2005, Calloway completed the acquisition of a retail property in Abbotsford for a cost of $16,500,000. The purchase price was satisfied by the assumption of an existing mortgage of $11,979,000 and by the payment of the balance in cash.

On June 22, 2005, Calloway issued 11,336,000 subscription receipts at a price of $19.85 per subscription receipt for gross proceeds of $225,019,600, each subscription receipt being exchangeable for one Unit upon the completion of an acquisition of certain properties by Calloway from SmartCentres, Wal-Mart Canada Realty Inc. and other vendors.

On July 8, 2005, Calloway completed the acquisition of substantially all of the freehold and leasehold interests in 45 properties (the "**Acquisition 5 Properties**") from SmartCentres, Wal-Mart Canada Realty Inc. and other vendors. These interests included the co-ownership interests owned by SmartCentres in seven properties where Calloway owned the other co-ownership interests effectively giving Calloway a 100% ownership interest in these properties. A portion of the cash component for the acquisition was funded from the proceeds of the aforementioned private placement of subscription receipts closed by Calloway on June 22, 2005 which subscription receipts were converted into 11,336,000 Units of Calloway concurrently with the closing of the acquisition. The 45 properties comprised approximately 5,458,375 net square feet of leased area of which approximately 2,141,771 net square feet was leased to Wal-Mart, and included lands with the potential for future development of approximately 2,721,594 net square feet. The purchase price for the Acquisition 5 Properties was approximately $1,168,703,000 (including costs of acquisition). Approximately $190,017,000 of the purchase price relates to three properties in which Calloway acquired leasehold interests. The purchase price was satisfied as follows: (i) by assumption of existing mortgages of $342,863,000; (ii) by obtaining first mortgage and unsecured bridge financing of approximately $329,250,000; (iii) by the vendors providing non-interest bearing mortgages of approximately $33,091,000; (iv) by way of vendors providing a credit with respect to a mark-to-market adjustment on mortgages assumed of $22,386,000; (v) by SmartCentres and other vendors subscribing for 12,594,458 exchangeable Class B Series 1 units (the "**LP Class B Series 1 Units**") of Calloway Limited Partnership ("**Calloway LP**"), a subsidiary limited partnership of Calloway, at a price of $19.85 per unit with each such unit carrying one vote at meetings of Unitholders via the issuance of Special Voting Units to the holders of such LP Class B Series 1 Units; (vi) by approval and issuance of development agreement options via 2,500,000 Units and 8,500,000 Class C Series 1 units (the "**LP Class C Series 1 Units**") of Calloway LP valued in aggregate at their estimated fair market value of $10,675,000; and (vii) by payment of the balance in cash. The agreements also included: (i) an amendment to the Declaration of Trust to increase SmartCentres' ability to nominate trustees of Calloway; (ii) Calloway entering into long term development agreements and property management agreements on the properties acquired with SmartCentres; (iii) Calloway's head office being relocated to Toronto; and (iv) the appointment of new senior management for Calloway. SmartCentres is, and was at the time of the transaction, controlled by Mitchell Goldhar who is, and was at the time of the transaction, a significant Unitholder of Calloway.

Concurrently with the closing of the acquisition of the Acquisition 5 Properties, Calloway entered into development agreements and an exchange, option and support agreement with SmartCentres and other vendors of the properties with respect to future developments on such properties. See "Access to Development Projects – The Acquisition 5 Properties".

On September 22, 2005, Calloway issued $200,000,000 Series A senior unsecured debentures with a maturity date of September 22, 2010 and a coupon rate of 4.51% (the "**4.51% Debentures**") for gross proceeds of $199,956,000. The offering was made under Calloway's base shelf prospectus dated September 14, 2005 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated September 15, 2005.

On December 1, 2005, Calloway completed the sale of two industrial properties located in Calgary, for gross proceeds of $5,500,000. The purchaser assumed mortgages totaling $2,600,000.

On December 6, 2005, Calloway issued 4,256,000 Units at a price of $23.50 per Unit for gross proceeds of $100,016,000. The issuance was made under Calloway's base shelf prospectus dated September 14, 2005 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated November 28, 2005.

During 2005, Calloway completed the purchase of an additional 567,361 square feet of developed space from SmartCentres and the Partnership for $111,887,000 (including land value of $10,565,000) under the terms of the Development Agreements and the Exchange Agreements (i.e. earn-outs). The consideration paid consisted of: the issuance to SmartCentres of 47,476 Units at a price of $10.00 per Unit, 661,206 Units at a price of $10.50 per Unit, 429,514 Units at a price of $14.00 per Unit, 683,527 Units at a price of $15.25 per Unit, 165,359 Units at a price of $17.80 per Unit, and 262,672 Units and 330,667 LP Class B Series 1 Units at a price of $20.10 per Unit; assumption of development loans and accounts payable; and the balance in cash. In addition, Calloway repaid acquisition and development loans provided by the Partnership.

During 2005, Calloway entered into agreements with SmartCentres in which Calloway agreed to lend up to $37.8 million for the purpose of acquiring and developing certain additional properties. These loans bore interest at 7.5% to 7.85% and were secured by first or second charges on property, assignments of rents and leases and general security agreements. Calloway was granted an option to acquire a 50% interest in the properties upon substantial completion at an agreed upon formula. As at December 31, 2005 mortgages receivables totalling $36.5 million had been provided pursuant to these and previous agreements with SmartCentres where Calloway agreed to lend a total of $54.5 million for the purpose of acquiring and developing certain additional properties. During 2005, $22.5 million had been funded, offset by repayments of $7.5 million.

2006

On February 10, 2006, Calloway completed the acquisition from an arm's length party of a 51,060 square foot retail property in Calgary, Alberta for a purchase price of $10,505,000. The purchase price was paid in cash, adjusted for other working capital amounts.

On February 20, 2006, Calloway completed the acquisition from an arm's length party of a 14.53 acre development property in Burlington, Ontario for a purchase price of $11,264,000. The purchase price was paid in cash, adjusted for other working capital amounts.

On March 14, 2006, Calloway completed the acquisition from an arm's length party of an 186,016 square foot retail property in Kitchener, Ontario for a purchase price of $30,112,000 paid for by assuming an existing mortgage of $14,219,000 and the remainder in cash, adjusted for other working capital amounts.

On March 16, 2006, Calloway acquired from an arm's length party a 49.9% interest in a 50,095 square foot retail property in Hull, Quebec for a purchase price of $5,139,000. The purchase price was paid in cash, adjusted for other working capital amounts. This property is subject to joint control and accordingly has been proportionately consolidated from the date of acquisition.

On March 30, 2006, Calloway completed the acquisition from an arm's length party of a 17.78 acre development property in London, Ontario for a purchase price of $11,093,000. The purchase price was paid in cash, adjusted for other working capital amounts.

On April 12, 2006, Calloway acquired a 95% controlling interest in four retail properties (the "**Acquisition 6 Properties**") (152,404 square feet) from SmartCentres for total consideration of $40,566,000 (including properties under development of $1,455,000) in cash, adjusted for other working capital amounts. Included in the four properties, were two properties (50,659 square feet) where Calloway exercised its option to acquire the remaining 50% interest that Calloway did not already own at a purchase price of $19,837,000. Concurrently with the closing of the acquisition of the Acquisition 6 Properties, Calloway entered into development agreements with SmartCentres with respect to future developments on such properties. See "Access to Development Projects – The Acquisition 6 Properties".

On April 13, 2006, Calloway issued 8,500,000 Units at a price of $26.60 per Unit for gross proceeds of $226,100,000. The issuance was made under Calloway's base shelf prospectus dated September 14, 2005 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated April 4, 2006.

In May 2006, Calloway completed the sale of an industrial property located in Calgary, Alberta for gross proceeds of $11,700,000. The purchaser assumed mortgages totaling $4,020,000.

On May 24, 2006, Calloway completed the acquisition from an arm's length party of a 201,947 square foot retail property in Penticton, British Columbia for a purchase price of $30,067,000. The purchase price was paid in cash, adjusted for other working capital amounts.

On May 30, 2006, Calloway completed the acquisition from an arm's length party of a 144,377 square foot retail property in Toronto, Ontario for a purchase price of $36,540,000, adjusted for other working capital amounts. The purchase price was satisfied by the assumption of an existing first mortgage totalling $17,080,000, the issuance of 756,525 class B units ("**LP II Class B Units**") of Calloway Limited Partnership II ("**Calloway LP II**") with a value of $17,778,000, and the balance in cash.

In June 2006, Calloway acquired a 44.4% joint venture interest in a 384,357 square foot income property in Toronto, Ontario for a purchase price of $38,471,000, adjusted for other working capital amounts. The purchase price was satisfied by the assumption of an existing first mortgage totalling $14,043,000, the issuance of 58,823 LP Class B Series 1 Units with a value of $1,500,000, and the balance in cash. Of the 44.4% interest acquired, 5.55% of the income property was acquired from SmartCentres for a purchase price of $4,724,000. This property is subject to joint control and accordingly has been proportionately consolidated from the date of acquisition.

On June 26, 2006, Calloway completed the acquisition from an arm's length party of a 237,949 square foot retail property in Vaughan, Ontario for a purchase price of $41,298,000, adjusted for other working capital amounts. The purchase price was satisfied by the assumption of an existing first mortgage totalling $17,249,000 and the balance in cash.

On July 28, 2006, Calloway completed the acquisition from an arm's length party of 50% joint venture interests in each of two income properties (275,750 square feet) in Toronto, Ontario at a combined purchase price of $102,594,000 (includes property under development component of $16,220,000), adjusted for other working capital amounts. The purchase price was satisfied by the assumption of an existing first mortgage and a construction loan totalling $35,711,000 and the balance in cash. These properties are subject to joint control and accordingly have been proportionately consolidated from the date of acquisition.

On August 3, 2006, Calloway completed the acquisition from an arm's length party of a 2.5 acre development property in Woodstock, Ontario for a purchase price of $1,237,000, adjusted for other working capital amounts. The purchase price was paid in cash.

On September 22, 2006, Calloway completed the acquisition from an arm's length party of a 257,840 square foot retail property in Montreal, Quebec for a purchase price of $38,345,000, adjusted for other working capital amounts. The purchase price was paid in cash.

On October 12, 2006, Calloway completed the acquisition from an arm's length party of a 58,433 square foot retail property in Peterborough, Ontario for a purchase price of $12,529,000, adjusted for other working capital amounts. The purchase price was paid in cash.

On October 12, 2006, Calloway issued $250,000,000 Series B senior unsecured debentures with a maturity date of October 12, 2016 and a coupon rate of 5.37% (the "**5.37% Debentures**") for gross proceeds of $249,766,500. The offering was made under Calloway's base shelf prospectus dated September 14, 2005 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated October 10, 2006.

On November 11, 2006, Calloway completed the acquisition from an arm's length party of a 3.7 acre development property in St. John's, Newfoundland for a purchase price of $1,306,000, adjusted for other working capital amounts. The purchase price was paid in cash.

On November 15, 2006, Calloway completed the acquisition of a 3.1 acre development property in Fort Erie, Ontario from SmartCentres for a purchase price of $1,519,000, adjusted for other working capital amounts. The purchase price was satisfied with the release from escrow of 26,160 LP Class B Series 1 Units with a value of $519,000, and the remainder in cash of which $303,000 was held in escrow.

On November 30, 2006, Calloway issued 7,680,000 Units at a price of $29.30 per Unit for gross proceeds of $225,024,000. The issuance was made under Calloway's base shelf prospectus dated September 14, 2005 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated November 21, 2006.

On December 7, 2006, Calloway completed the acquisition from an arm's length party of an 87,421 square foot retail property in St. John's, Newfoundland for a purchase price of $16,075,000, adjusted for other working capital amounts. The purchase price was satisfied by the assumption of an existing first mortgage totalling $3,715,000 and the remainder in cash.

On December 11, 2006, Calloway completed the internalization of its property management business and completed the acquisition of freehold interests in seven properties, leasehold interests in two properties and leasehold/freehold interests in two properties; and on December 19, 2006 Calloway completed the acquisition of freehold interests in two properties and the leasehold interest in one property (collectively the "**Acquisition 7 Properties**") from SmartCentres and other vendors. Calloway paid a fee to SmartCentres of approximately $14,410,000 to internalize the property management business. The 14 Acquisition 7 Properties comprised approximately 1.3 million net square feet of leased area of which approximately 427,000 net square feet was leased to Wal-Mart, and included lands with the potential for future development of approximately 1.6 million net square feet. The purchase price for the Acquisition 7 Properties was approximately $383,415,000 (including properties under development of $44,312,000), adjusted for costs of acquisition and working capital amounts. Approximately $225,089,000 of the purchase price relates to five properties in which Calloway acquired leasehold interests. The purchase price was satisfied as follows: (i) by assumption of existing mortgages of $173,369,000; (ii) by way of vendors providing a credit with respect to a mark-to-market adjustment on mortgages assumed of $7,037,362; (iii) by SmartCentres and other vendors subscribing for 789,444 exchangeable Class B Series 2 units (the "**LP Class B Series 2 Units**") and 34,130 Class D Series 2 units (the "**LP Class D Series 2 Units**") of Calloway LP, a subsidiary limited partnership of Calloway, at a price of $29.30 per unit with each such unit carrying one vote at meetings of Unitholders via the issuance of Special Voting Units to the holders of such LP Class B Series 2 Units or LP Class D Series 2 Units; (iv) by approval and issuance of development agreement options via 551,416 Units and 2,550,000 LP Class C Series 2 units (the "**LP Class C Series 2 Units**") of Calloway LP valued in aggregate at their estimated fair market value of approximately $5.3 million; and (v) by payment of the balance in cash. SmartCentres is, and was at the time of the transaction, controlled by Mitchell Goldhar who is, and was at the time of the transaction, a significant Unitholder of Calloway.

Concurrently with the closing of the acquisition of the Acquisition 7 Properties, Calloway entered into development agreements and an exchange, option and support agreement with SmartCentres and other vendors of the properties with respect to future developments on such properties. See "Access to Development Projects – The Acquisition 7 Properties".

On December 14, 2006, Calloway completed the acquisition from an arm's length party of a 10.4 acre development property in Toronto, Ontario for a purchase price of $9,512,000, adjusted for other working capital amounts. The purchase price was paid in cash. As part of the purchase price, SmartCentres, as the assignor of the acquisition, received an additional sum of $200,000 per acre, subject to certain conditions.

During 2006, Calloway completed the purchase of an additional 303,045 square feet of developed space from SmartCentres, the Partnership and the Partnership II for $74,796,000 (including land value of $12,026,000) under the terms of the Development Agreements and the Exchange Agreements (i.e. earn-outs). The consideration paid consisted of: the issuance to SmartCentres of 199,473 Units at a price of $10.50 per Unit, 389,477 Units at a price of $14.00 per Unit, 130,513 Units at a price of $15.25 per Unit, 119,366 Units at a price of $17.80 per Unit, 48,956 Units at a price of $19.60 per Unit, 341,756 Units at a price of $20.10 per Unit and 331,112 LP Class B Series 1 Units at a price of $20.10 per LP Class B Series 1 Unit; assumption of development loans and accounts payable; and the balance in cash. In addition, Calloway repaid acquisition and development loans provided by the Partnership and Partnership II.

During 2006, Calloway entered into agreements with SmartCentres, and certain other affiliates, in which Calloway agreed to lend up to $76.6 million for the purpose of acquiring and developing certain additional properties. These loans bore interest at 7.0% to 8.0% and were secured by first or second charges on property, assignments of rents and leases and general security agreements. Calloway was granted an option to acquire a 50% interest in the properties upon substantial completion at an agreed upon formula. As at December 31, 2006, mortgages receivables totalling $78.0 million had been provided pursuant to these and previous agreements with SmartCentres, and certain other affiliates, where Calloway agreed to lend a total of $115.4 million for the purpose of acquiring and developing certain additional properties. During 2006, $56.3 million had been funded, offset by repayments of $14.8 million.

2007

On January 26, 2007, Calloway completed the acquisition from an arm's length party of a 240,733 square foot income property in Mississauga, Ontario for a purchase price of $17,646,000. The purchase price was paid in cash, adjusted for other working capital amounts.

On March 30, 2007, Calloway completed the acquisition from an arm's length party of two income properties with an aggregate of 403,656 square feet in the Greater Toronto Area for a purchase price of $93,112,000 paid for by assuming an existing mortgage of $23,539,000 and the remainder in cash, adjusted for other working capital amounts.

On April 2, 2007, Calloway completed the acquisition from an arm's length party of a 42,985 square foot income property in Mount Pearl, Newfoundland at a purchase price of $10,703,000. The purchase price was satisfied by the assumption of an existing first mortgage totalling $5,319,000 and the balance in cash, adjusted for other working capital amounts.

On May 7, 2007, Calloway completed the acquisition from an arm's length party of a 2.94 acre development property in Toronto, Ontario, at a purchase price of $4,185,000, paid in cash adjusted for other working capital amounts.

On May 11, 2007 and June 15, 2007, Calloway completed the acquisition from an arm's length party of three adjoining parcels of development property totalling 60.61 acres in Halton, Ontario for a combined purchase price of $33,224,000, paid in cash adjusted for other working capital amounts.

On June 21, 2007, Calloway completed the acquisition of a 104,090 square foot income property and additional development parcels in Winnipeg, Manitoba from Hopewell Development Corporation, a company in which a trustee of Calloway is an officer, for a purchase price of $31,614,000. The purchase price was satisfied in cash adjusted for other working capital amounts. Calloway also entered into a development agreement with Hopewell Development Corporation to complete the development of the property.

On June 28, 2007, Calloway acquired from SmartCentres, a 50% interest in a development property that adjoins Calloway's existing 50% interest in an income property in Milton, Ontario for a purchase price of $2,739,000, paid in cash adjusted for other working capital amounts.

On July 6, 2007, Calloway completed the acquisition of a 58.9 acre development property from SmartCentres in Stouffville, Ontario for $32,773,000. The purchase price was satisfied by the assumption of an existing construction loan facility totalling $25,480,000, the issuance of development agreement options via the issuance of 800,000 LP Class C Series 2 Units and 800,000 LP Class E Series 2 units (the **"LP Class E Series 2 Units"**), and the balance in cash, adjusted for other working capital amounts. The development agreement options were valued at their estimated combined fair market value of $1,141,000 based on a Black-Scholes calculation using the following assumptions: average volatility of 18.5% on the underlying Units; an exercise price ranging from $29.55 to $33.00 per unit; a risk free interest rate of 4.3%; a weighted average expected life ranging from 1 year to 3 years; and an expected distribution rate on the Units of 5.93%. In connection with this acquisition, Calloway entered into a long-term development agreement with SmartCentres. See "Access to Development Projects – The Acquisition 7 Properties".

On July 25, 2007, Calloway completed the acquisition of three leasehold property interests (collectively the "**Acquisition 8 Properties**") from SmartCentres and other unrelated parties for $43,892,000. Of the three Acquisition 8 Properties, two are 50% co-ownership interests and accordingly have been proportionately consolidated from the date of acquisition and one leasehold property (income property) is wholly owned. The leasehold interests were prepaid in full and satisfied by the assumption of existing construction loans and mortgages payable totalling $23,468,000, the issuance of development agreement options to SmartCentres to acquire up to 1,348,223 Units, and the balance in cash, adjusted for other working capital amounts. The development agreement options were valued at their estimated combined fair market value of $596,000 based on a Black-Scholes calculation using the following assumptions: average volatility of 18.5% on the underlying Units; an exercise price ranging from $29.55 to $33.00 per unit; a risk free interest rate of 4.3%; a weighted average expected life ranging from 1 year to 2.25 years; and an expected distribution rate on the Units of 6.12%.

Concurrently with the closing of the acquisition of the Acquisition 8 Properties, Calloway entered into development agreements and an exchange, option and support agreement with SmartCentres and other vendors of the properties with respect to future developments on such properties. See "Access to Development Projects – The Acquisition 8 Properties".

On August 30, 2007, Calloway completed the acquisition from an arm's length party of a 4.87 acre development property in Halton Hills, Ontario for a purchase price of $2,649,000, paid in cash, adjusted for other working capital amounts.

On September 28, 2007, Calloway completed the acquisition of a 15.59 acre development property in London, Ontario for $12,202,000. Included in the purchase price was an acquisition fee paid to SmartCentres of $4,518,000. The purchase price was satisfied by the release from escrow of 158,364 Class B Series 1 LP Units with a value of $3,144,000 and the balance in cash, adjusted for other working capital amounts.

On October 15, 2007, Calloway completed the acquisition of a 50% co-ownership interest in a 61.86 acre development property in Salmon Arm, British Columbia for a purchase price of $7,509,000, paid in cash, adjusted for other working capital amounts. This property is subject to joint control and accordingly has been proportionately consolidated from the date of acquisition.

During 2007, pursuant to the Development Agreements, Calloway completed the purchase of additional developed space totalling 746,331 square feet from SmartCentres and others for $135,216,000. The purchase price was satisfied through the issuance of 877,999 Units and 334,066 LP Class B Series 1 Units and LP Class B Series 2 Units for combined proceeds of $21,848,000 and the balance in cash.

As at December 31, 2007 mortgages receivables totalling $175,970,000 had been provided pursuant to agreements with SmartCentres and certain other affiliates, and mortgages receivables totalling $32,534,000 had been provided to other unrelated parties, where Calloway agreed to lend a total of $376,990,000 for the purpose of acquiring and developing 14 properties. These loans bore interest at rates ranging from 6.35% to 12.00% and were secured by first or second charges on property, assignments of rents and leases and general security agreements. During 2007, $141,227,000 was funded, offset by repayments of $10,830,000.

In conjunction with certain 2006 acquisitions, further acquisition costs of $1,296,000 were incurred and recorded during 2007.

2008

On February 15, 2008, Calloway completed the acquisition from an arm's length party of a 4.98 acre development property in London, Ontario for a purchase price totalling $1,057,000 paid in cash, adjusted for other working capital items.

On March 13, 2008, Calloway completed the sale to an arm's length party of Lloyd Mall (204,127 square feet) for gross proceeds of $39.5 million resulting in a gain on sale of $19.1 million. This income property is anchored by Zeller, Sears and Safeway and is located in Lloydminster, Alberta.

On May 2, 2008, Calloway issued $125,000,000 aggregate principal amount of 6.65% convertible unsecured subordinated debentures (the "**6.65% Convertible Debentures**") due June 30, 2013. The offering was made under Calloway's base shelf prospectus dated September 21, 2007 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated April 23, 2008.

On June 13, 2008, Calloway completed the acquisition of freehold and leasehold 100% interests in six properties (collectively the "**Acquisition 9 Properties**") from a joint venture between SmartCentres and Wal-Mart Canada Realty Inc. As at the closing date, the six properties comprised approximately 1,414,547 net square feet of leased area, and included lands with potential for future development of approximately 305,378 net square feet. The purchase price of the properties was $287,891,000 (including properties under development of $15,763,000), adjusted for costs of acquisition and working capital amounts. Of this purchase price, approximately $29,834,000 relates to 40% of one property (60% was a freehold acquisition) in which Calloway acquired leasehold interests and prepaid its entire lease obligations. The purchase price was satisfied by the assumption of non-interest bearing mortgages provided by the vendors totalling $14,079,000, the issuance of 707,173 exchangeable Class B Series 3 units (the "**LP Class B Series 3 Units**") of Calloway LP, a subsidiary limited partnership of Calloway, with a value of $15,062,000 to SmartCentres and the cancellation of 707,173 LP Class C Series 1 Units of Calloway LP previously issued, the issuance of 750,000 exchangeable Class C Series 3 units (the "**LP Class C Series 3 Units**") of Calloway LP, and the balance in cash. The LP Class B Series 3 Units were valued at a price of $21.30 per unit, which was the approximate fair market value of the underlying Units on the date the substantive terms of the acquisition were agreed upon and announced. LP Class C Series 3 Units were valued at their estimated combined fair market value of $1,684,000 based on a Black-Scholes calculation using the following assumptions: average volatility ranging from 21.5% - 30.4% on the underlying Calloway Units; an exercise price of $20.10 per unit; a risk free interest rate ranging from 2.13% - 3.60%; a weighted average expected life of one year; and an expected distribution rate on Calloway's Units ranging from 7.27% - 8.30%.

Concurrently with the closing of the acquisition of the Acquisition 9 Properties, Calloway entered into development agreements and exchange and support agreements with SmartCentres and other vendors of the properties with respect to future developments on such properties. See "Access to Development Projects – The Acquisition 9 Properties".

In connection with the acquisition of the Acquisition 9 Properties, on September 30, 2008, Calloway entered into an agreement with SmartCentres whereby all LP Class C Series 1 Units of Calloway LP held by SmartCentres (i.e. to acquire LP Class B Series 1 Units of Calloway LP) that have been vested as at December 31, 2008 (i.e. approximately 876,474 LP Class C Series 1 Units) must be exercised by June 30, 2009 with an extension to September 30, 2009 under certain circumstances. In addition, further LP Class C Series 1 Units that have not vested as at December 31, 2008 (i.e. approximately 2,737,954 LP Class C Series 1 Units) must be exercised within 60 days of completion and rental of additional space on specific properties.

On June 26, 2008, Calloway completed the acquisition from an arm's length party of a development property in Brockville, Ontario, for a purchase price of $1,141,000 paid in cash, adjusted for other working capital amounts.

During the second quarter of 2008, Calloway completed the disposition to arm's length parties of three income properties (327,343 square feet) for gross proceeds of $63.0 million resulting in a gain on sales of $18.6 million. The assets sold included: Spruce Grove SmartCentre, Spruce Grove, Alberta; Bakerview Power Centre, Abbotsford, British Columbia; and Beauport SmartCentre, Quebec City, Quebec. The purchaser assumed an existing mortgage totalling $9.3 million at Spruce Grove SmartCentre.

On November 17, 2008, the Trust completed the acquisition from an arm's length party of a 1.12 acre development property in Toronto, Ontario, for a purchase price of $642,000 paid in cash, adjusted for other working capital amounts.

On November 26, 2008, Calloway completed the sale to an arm's length party of Sarnia Price Chopper Centre (79,743 square feet) in Sarnia, Ontario for gross proceeds of $15.4 million resulting in a gain on sale of $2.4 million. A Price Chopper and LCBO anchor the asset.

In third the quarter of 2008, Calloway completed the sale to arm's length parties of three other income properties (127,514 square feet) for gross proceeds of $32.4 million resulting in a gain on sales of $6.8 million. The assets sold included: Namao Centre, Edmonton, Alberta; Anjou Home Outfitters Centre, Montreal, Quebec; and Sunridge Towne Centre, Calgary, Alberta. The purchaser assumed an existing mortgage totalling $4.9 million at Anjou Home Outfitters Centre.

On December 5, 2008, Calloway sold to an arm's length party its 100% interest in Winnipeg Central SmartCentre (56,966 square feet) for gross proceeds of $12.2 million resulting in a gain on sale of $1.5 million. Located in Winnipeg, Manitoba, major tenants include Golf Town, CIBC and Petcetera.

On December 10, 2008, a mortgage receivable due from SmartCentres totalling $25,862,000 was repaid in full.

During 2008, pursuant to the Development Agreements, Calloway completed the purchase of additional developed space totalling 818,423 square feet from SmartCentres and others for $189,945,000. The purchase price was satisfied through the issuance of 691,756 Units and 244,115 LP Class B Series 1 Units and LP Class B Series 2 Units for combined proceeds of $14,656,000 and the balance in cash, adjusted for other working capital amounts.

As at December 31, 2008 mortgages receivables totalling $183,182,000 had been provided pursuant to agreements with SmartCentres and certain other affiliates, and mortgages receivables totalling $39,965,000 had been provided to other unrelated parties, where Calloway agreed to lend a total of $365,096,000 for the purpose of acquiring and developing 17 additional properties. These loans bore interest at rates ranging from 6.35% to 10.00% and were secured by first or second charges on property, assignments of rents and leases and general security agreements. During 2008, $46,625,000 was funded, offset by repayments of $31,982,000.

2009

On January 29, 2009, Calloway entered into a senior secured revolving credit facility agreement for $105,000,000. This facility bore interest at a variable rate based on (i) bank prime plus 1.75% for the first six months and bank prime plus 2.00% for the last six months or (ii) bankers' acceptance rate plus 2.75% for the first six months and bankers' acceptance rate plus 3.00% for the last six months, was secured by first charges over specific income properties and a first general assignment of leases and insurance. This facility matured on January 29, 2010 with an option to extend for a further six months. The option to renew was not exercised as Calloway no longer required this operating facility.

During the year, Calloway negotiated a new operating facility to replace two existing operating facilities of $100,000,000 and $160,000,000. This revolving operating facility totalling $160,000,000 bears interest at a variable interest rate based on prime plus 2.25% or the bankers' acceptance rate plus 3.25%, is secured by first charges over specific income properties and first general assignments of leases and insurance and expires on September 30, 2011. The reduced loan amount is a result of changes in underwriting criteria and one property being removed from the security pool and financed using term debt.

In January 2009, Calloway and SmartCentres agreed in principle to amend certain development management agreements pertaining to the earnouts on 11 properties that currently have a floating capitalization rate determined by reference to the ten-year Government of Canada bond rate. The agreements are to be amended to include a fixed floor capitalization rate ranging from 6.10% to 7.50%. If a definitive agreement is not reached between Calloway and SmartCentres, additional proceeds of $5,533,000 would be payable to SmartCentres on earnouts that have closed as of December 31, 2009.

On April 13, 2009, Calloway issued $150,000,000 Series C senior unsecured debentures with a maturity date of April 14, 2014 and a coupon rate of 10.25% (the "**10.25% Debentures**"). Calloway used the net proceeds of the offering, plus other funds from its operating credit facilities, to repurchase approximately $153,500,000 principal amount of the 4.51% Debentures. The offering was made under Calloway's base shelf prospectus dated September 21, 2007 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated April 8, 2009.

On April 30, 2009, Calloway completed the acquisition from SmartCentres of a 50% co-ownership interest in an 86.6-acre development property in Innisfil, Ontario for a purchase price totalling $14,285,000 which was paid with proceeds received from an existing mortgage receivable of $14,075,000, adjusted for other working capital amounts.

On June 30, 2009, Calloway issued $75,000,000 Series D senior unsecured debentures with a maturity date of June 30, 2014 and a coupon rate of 7.95% (the "**7.95% Debentures**"). The offering was made under Calloway's base shelf prospectus dated September 21, 2007 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated June 19, 2009.

On August 25, 2009, Calloway issued 3,226,000 Units at a price of $15.50 per Unit for gross proceeds of $50,003,000. The offering was made under Calloway's base shelf prospectus dated September 21, 2007 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated August 17, 2009.

On August 31, 2009, Calloway completed the acquisition from SmartCentres of a 50% leasehold interest in an income property (272,595 square feet) in Richmond Hill, Ontario for $40,814,000 pursuant to an existing agreement signed in 2007. The purchase price was satisfied by the proceeds received from an existing mortgage receivable of $20,756,000, the assumption of an existing first mortgage totalling $17,917,000 and the balance in cash, adjusted for other working capital amounts.

During 2009, pursuant to the Development Agreements, Calloway completed the purchase of additional developed space totalling 640,814 square feet from SmartCentres and others for $140,496,000. The purchase price was satisfied through the issuance of 32,489 Units and an aggregate of 19,930 LP Class B Series 1 Units and LP Class B Series 3 Units for combined consideration of $937,000 and the balance in cash, adjusted for other working capital amounts.

As at December 31, 2009 mortgages receivables totalling $132,425,000 had been provided pursuant to agreements with SmartCentres and certain other affiliates, and mortgages receivables totalling $40,985,000 had been provided to other unrelated parties, where Calloway agreed to lend a total of $280,135,000 for the purpose of acquiring and developing 13 additional properties. These loans bore interest at rates ranging from 6.35% to 10.00% and were secured by first, second or third charges on property, assignments of rents and leases and general security agreements. During 2009, $23,853,000 was funded, offset by repayments of $71,863,000.

During the year, Calloway received $265.8 million in new mortgages with an average term of 4.6 years and weighted average interest rate of 5.9%.

Subsequent Events

On January 5, 2010, Calloway issued (i) $60,000,000 aggregate principal amount of 5.75% convertible unsecured subordinated debentures (the "**5.75% Convertible Debentures**") due June 30, 2017 and (ii) 2,100,000 Units at a price of $19.05 per Unit for gross proceeds of $40,005,000. The offering was made under Calloway's base shelf prospectus dated October 9, 2009 qualifying the issue of up to $2,000,000,000 in debt or equity securities and a supplement to that prospectus dated December 18, 2009.

On January 14, 2010, Calloway entered into a five-year mortgage totalling $16,400,000, bearing interest at 5.62% and secured by a specific income property.

On January 18, 2010, Calloway entered into a term mortgage totalling $20,000,000 bearing interest at 6.69%, maturing in 2018 and secured by a specific income property.

On January 29, 2010, Calloway completed the purchase of earnouts totalling 160,424 square feet of development space from SmartCentres for $11,919,000 paid in cash.

Agreements with SmartCentres

In addition to agreements and contracts with SmartCentres described elsewhere in this annual information form, Calloway has entered into the following agreements with SmartCentres:

(a) A management agreement under which Calloway has agreed to provide to SmartCentres certain limited property management services for a fee equal to 1% of net rental revenues of the managed properties. This management agreement was originally for a one-year term ended December 31, 2007. However, it automatically renews for subsequent one-year terms unless terminated by either SmartCentres or Calloway.

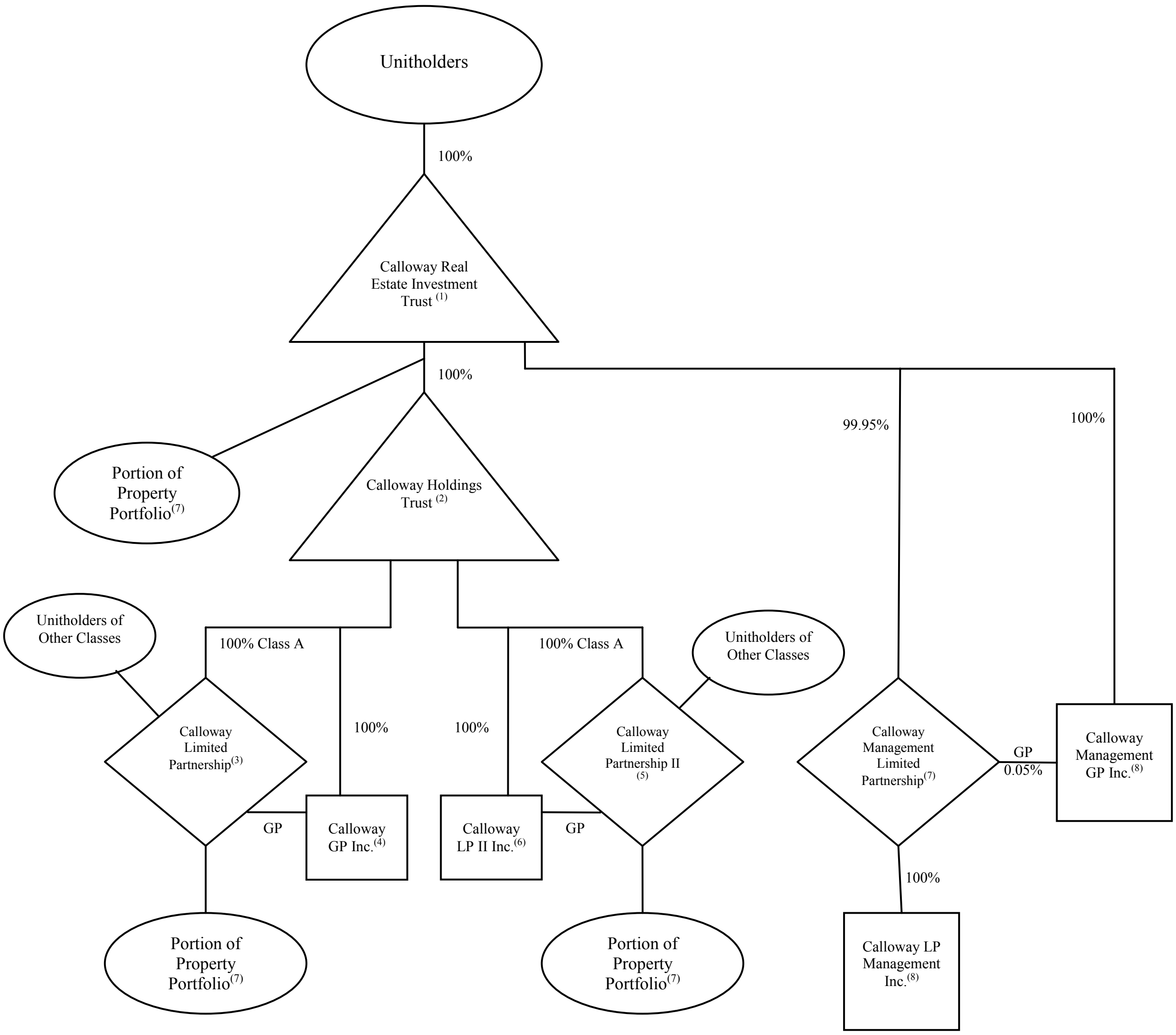
(b) A support services agreement under which SmartCentres has agreed to provide to Calloway certain support services for a fee based on an allocation of the relevant costs of the support services incurred by SmartCentres. This support agreement was originally for a one-year term ended December 31, 2007. However, it automatically renews for subsequent one-year terms unless terminated by either SmartCentres or Calloway. In addition, Calloway rents its office premises from SmartCentres for a term of five years to December 2011, with an option to extend for a further five years.

(c) A construction and leasing services agreement, under which SmartCentres has agreed to provide to Calloway construction management services and leasing services. The construction management services are provided at the discretion of Calloway, with respect to certain of Calloway's properties under development for a fee equal to 3% of the construction costs incurred. Fees for leasing services, requested at the discretion of Calloway, are based on various rates, which approximate market rates, depending on the location of the property and the term and nature of the lease. The agreement continues in force until terminated by either SmartCentres or Calloway.

(d) A trade-mark licence agreement and marketing cost sharing agreement (collectively, the "**Licence Agreement**"), under which Calloway has licensed the use of the trademark "Smart!Centres" from SmartCentres for a ten-year term ending December 31, 2016. Under the Licence Agreement, Calloway will pay 50% of the costs incurred by SmartCentres in connection with branding and marketing the trademark together with Calloway's proportionate share of signage costs. SmartCentres has the right to terminate the Licence Agreement at any time in the event any third party acquires 20% or more of the aggregate of the outstanding Units and Special Voting Units of Calloway.

Structure of Calloway

The following diagram illustrates the simplified organizational structure of Calloway (excluding subsidiaries, other than Calloway LP II, Calloway Management Limited Partnership, Calloway Management GP Inc. and Calloway LP Management Inc., the total assets or revenues of which collectively do not exceed 20%, and individually do not exceed 10%, of the assets or revenues, as applicable, of Calloway and its subsidiaries considered on a consolidated basis):



Notes:

(1) Calloway Real Estate Investment Trust is an unincorporated open-end real estate investment trust governed by the laws of the Province of Alberta.
(2) Calloway Holdings Trust is an unincorporated open-end trust governed by the laws of the Province of Alberta.
(3) Calloway Limited Partnership is a limited partnership created pursuant to the laws of the Province of Alberta.
(4) Calloway GP Inc. is a corporation created under the laws of the Province of Alberta.
(5) Calloway Limited Partnership II is a limited partnership created pursuant to the laws of the Province of Alberta.
(6) Calloway LP II Inc. Inc. is a corporation created under the laws of the Province of Alberta.
(7) Calloway Management Limited Partnership is a limited partnership created pursuant to the laws of the Province of Alberta and is responsible for the management of Calloway's properties.
(8) Calloway Management GP Inc. is a corporation created under the laws of the Province of Alberta.

(9) Freehold and leasehold title to the assets in the Property Portfolio is held by a variety of nominee companies, all of which are controlled by Calloway (including its subsidiaries). These nominees do not conduct any business other than the holding of legal title to the assets for the benefit of Calloway (including its subsidiaries).

Mission and Strategy of Calloway

Calloway's vision is to create exceptional places to shop.

Calloway's purpose is to own and manage dominant shopping centres that provide our retailers a platform to reach their customers through convenient locations, intelligent designs, and a desirable tenant mix.

Calloway's shopping centres focus on value-oriented retailers and include the strongest national and regional names as well as strong neighbourhood merchants. It is expected that Wal-Mart will continue to be the dominant anchor tenant in the portfolio and that its presence will continue to attract other retailers and consumers.

To the extent that opportunities exist, and to the extent that management and the Board of Trustees of Calloway believe such opportunities are beneficial to Unitholders, Calloway will continue to invest primarily in large format, unenclosed retail rental properties with strong tenant covenants, stable yields, low vacancy levels and growth potential and continue to build a geographically diversified portfolio of such properties.

Calloway's executive management has, in the aggregate, over 75 years of experience in the commercial real estate market, including real estate acquisitions, dispositions, financing and administration, property management, construction and renovation, and marketing. Management's goal is to maximize cash flow and Unit value, while minimizing Unitholder risk. Management undertakes regular reviews of the Property Portfolio and, based on experience and market knowledge, assesses ongoing opportunities for the Property Portfolio. Where appropriate, capital improvement projects, renovations and remarketing initiatives are implemented.

Management is committed to maximizing income from Calloway's properties through sophisticated and prudent financial management. Management intends to optimize the leveraged returns from the Property Portfolio, while remaining within the overall debt limits set by the Declaration of Trust. Subject to the ability to obtain financing on acceptable terms, Calloway intends to utilize fixed rate debt financing with terms that are appropriate for the nature of the leases and the properties being financed. Again subject to the ability to obtain financing on acceptable terms, Calloway intends to stagger debt maturities to reduce refinancing risk and to provide a source of additional capital when refinanced, and make use of operating lines or acquisition facilities to generate interim capital.

Calloway plans to achieve its objectives by employing the following internal and external growth strategies:

Growth Through Acquisitions

Over the long term, to the extent that opportunities exist and to the extent that management and the Board of Trustees of Calloway believe such opportunities are beneficial to Unitholders, Calloway intends to expand its asset base and increase Adjusted Funds From Operations by pursuing an external growth strategy. Calloway intends to actively seek accretive acquisitions in its existing and adjacent markets and in new Canadian markets that present opportunities for favourable returns.

Throughout the acquisition process, Calloway intends to identify potential property acquisitions using an investment criteria that focuses primarily on return on equity, security of cash flow, potential for capital appreciation and the potential to increase value by more efficient management of the assets being acquired, including accessing capital for expansion and development of those assets, which access might not otherwise be available to competitors and other property owners.

Notwithstanding the foregoing, the current economic environment for acquisitions is very competitive with limited availability and higher cost of capital relative to the return available on acquisitions. Calloway will continue to monitor the property and capital markets and explore acquisition opportunities as they arise.

Growth Through Development

Over the long term and to the extent that opportunities exist and to the extent that management and the Board of Trustees of Calloway believe such opportunities are beneficial to Unitholders, part of Calloway's future growth will be achieved through the acquisition of undeveloped land suitable for the development of rental properties. In response to economic changes, Calloway no longer has in-house development expertise, but has access to the development expertise of SmartCentres and other developers on a fee basis. See "Access to Development Projects".

Growth Through Asset Management

Calloway believes that opportunities exist to increase cash flow of the Property Portfolio through value-added asset management and leasing activity. Calloway develops a leasing strategy for each property that reflects the nature of the property, its position within the marketplace, as well as prevailing and forecast economic conditions. To assist in implementing this strategy, Calloway utilizes and coordinates with the brokerage leasing community and retains appropriate agents on a best-in-class basis for each of the assets. Management expects that this strategy will maximize expansion and renewal opportunities and will involve aggressive, proactive leasing programs.

Calloway recognizes that renewal of existing tenant leases, as opposed to tenant replacement, often provides the best operating results as renewals minimize transaction costs associated with marketing, leasing and tenant improvements and avoids costs of renovation and interruptions in rental income resulting from periods of vacancy. Where existing tenants choose not to renew their lease, Calloway's proactive leasing function is designed to quickly identify replacement tenants at the best available market terms and lowest possible transaction costs.

ACCESS TO DEVELOPMENT PROJECTS

Calloway's relationship with SmartCentres and other developers will assist Calloway in avoiding the hurdles associated with property development, including locating and buying attractive development sites, securing construction financing, obtaining development approvals, marketing and leasing a building in advance of and during construction and earning no return during the construction period.

The Acquisition 1 Properties

Concurrently with the closing of the acquisition of the Acquisition 1 Properties from SmartCentres in October, 2003, Calloway entered into development agreements (the "**Development Agreements 1**") with SmartCentres for the development of additional retail space on the undeveloped lands on each of the Acquisition 1 Properties (the "**Acquisition 1 Undeveloped Lands**"). Pursuant to the Development Agreements 1, SmartCentres assumed responsibility for managing the development of additional retail space on the Acquisition 1 Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until October 31, 2008), subject to SmartCentres' option to extend, which has been exercised, for a further five year term (i.e. until October 31, 2013) (the "**Acquisition 1 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 1 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 1 Earn-Out Event**"). The formula used to calculate the Acquisition 1 Earn-Out Proceeds uses net rents from the new development less proposed management costs divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 1 Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. Calloway provides financing to SmartCentres for the development costs of the additional developments. Calloway provided a second mortgage on a specific property in the amount of $10,000,000 as security for payment of the additional proceeds.

SmartCentres has the right, at its option, to receive up to 40% of the Acquisition 1 Earn-Out Proceeds for any new developments in Units at purchase prices of $10.00 and $10.50 per Unit (up to approximately 199,475 and 1,800,000 Units, respectively, in aggregate). As at December 31, 2009, SmartCentres has earned $49.5 million in Acquisition 1 Earn-Out Proceeds of which $1.9 million has been paid through the issuance of 186,787 Units at $10.00 per Unit and $14.0 million has been paid through the issuance of 1,336,532 Units at $10.50 per Unit. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 1 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Development Agreements 1 include the following terms:

(a) in consideration of a lease by SmartCentres from Calloway of the Acquisition 1 Undeveloped Lands, SmartCentres will pay Calloway an amount equal to 9% per annum, payable monthly, of the aggregate Acquisition 1 Undeveloped Lands value, as reduced from time to time upon the occurrence of Acquisition 1 Earn-Out Events (the "**Acquisition 1 Development Fee**");

(b) Calloway has the option to cause SmartCentres to repurchase any Acquisition 1 Undeveloped Lands (or portion thereof) at the Acquisition 1 Undeveloped Lands value (or portion thereof), to the extent that such Acquisition 1 Undeveloped Lands (or portion thereof) have not been the subject of a Acquisition 1 Earn-Out Event as at the end of the Acquisition 1 Earn-Out Period; and

(c) the obligation of SmartCentres to pay the Acquisition 1 Development Fee and to repurchase any remaining Acquisition 1 Undeveloped Lands at the end of the Acquisition 1 Earn-Out Period is secured by Units of Calloway owned by SmartCentres and having a value equivalent to the remaining Acquisition 1 Undeveloped Land value from time to time.

The Acquisition 2 Properties

Concurrently with the closing of the acquisition of the Acquisition 2 Properties from the Partnership in February, 2004, Calloway entered into development agreements (the "**Development Agreements 2**") with the Partnership for the development of additional retail space on the undeveloped lands on each of the Acquisition 2 Properties (the "**Acquisition 2 Undeveloped Lands**"). Pursuant to the Development Agreements 2, the Partnership assumed responsibility for managing the development of additional retail space on the Acquisition 2 Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until February 16, 2009), subject to the Partnership's option, which has been exercised, to extend for a further five year term (i.e. until February 16, 2014) (the "**Acquisition 2 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 2 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 2 Earn-Out Event**"). The formula used to calculate the Acquisition 2 Earn-Out Proceeds for any new development uses net rents from the new development divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 2 Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. The Partnership provides financing to Calloway for the development costs of the additional developments. Calloway provided a first mortgage, assignment of rents and leases, and a general security agreement on two properties acquired from the Partnership as security for the development loans. As at December 31, 2009, the security referenced above has been discharged.

SmartCentres, as one of the partners of the Partnership, has been provided the right, at its option, to receive up to 40% of the Acquisition 2 Earn-Out Proceeds for any new developments in Units of Calloway at a purchase price of $14.00 per Unit (up to approximately 1,860,000 Units in aggregate). As at December 31, 2009, SmartCentres has earned $56.0 million in Acquisition 2 Earn-Out Proceeds of which $19.9 million has been paid through the issuance of 1,417,993 Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 2 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 3 Properties

Concurrently with the closing of the acquisition of the Acquisition 3 Properties from the Partnership in May, 2004, Calloway entered into development agreements (the "**Development Agreements 3**") with the Partnership for the development of additional retail space on the undeveloped lands on each of the Acquisition 3 Properties (the "**Acquisition 3 Undeveloped Lands**"). Pursuant to the Development Agreements 3, the Partnership assumed responsibility for managing the development of additional retail space on the Acquisition 3 Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until May 14, 2009), subject to the Partnership's option to extend, which option has been exercised, for a further five year term (i.e. until May 14, 2014) (the "**Acquisition 3 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 3 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 3 Earn-Out Event**"). The formula used to calculate the Acquisition 3 Earn-Out Proceeds for any new development uses net rents from the new development divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 3 Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. The Partnership provides financing to Calloway for the development costs of the additional developments. Calloway provided a first mortgage, assignment of rents and leases, and a general security agreement on two properties acquired from the Partnership as security for the development loans. As at December 31, 2009, the security referenced above has been discharged.

SmartCentres, as one of the partners of the Partnership, has been provided the right, at its option, to receive up to 40% of the Acquisition 3 Earn-Out Proceeds for any new developments in Units of Calloway at a purchase price of $15.25 per Unit (not to exceed 1,150,000 Units in aggregate). As at December 31, 2009, SmartCentres has earned $55.7 million in Acquisition 3 Earn-Out Proceeds of which $17.5 million has been paid through the issuance of 1,150,000 Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 3 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 4A Properties

Concurrently with the closing of the acquisition of the Acquisition 4A Properties from the Partnership in November 2004, Calloway entered into development agreements (the "**Development Agreements 4A**") with the Partnership for the development of additional retail space on the undeveloped lands on each of the Acquisition 4A Properties (the "**Acquisition 4A Undeveloped Lands**"). Pursuant to the Development Agreements 4A, the Partnership assumed responsibility for managing the development of additional retail space on the Acquisition 4A Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until November 30, 2009), subject to the Partnership's option, which has been exercised, to extend for a further five year term (i.e. until November 30, 2014) (the "**Acquisition 4A Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 4A Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 4A Earn-Out Event**"). The formula used to calculate the Acquisition 4A Earn-Out Proceeds for any new development uses net rents from the new development divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 4A Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. The Partnership provides financing to Calloway for the development costs of the additional developments. Calloway provided a first mortgage, assignment of rents and leases, and a general security agreement on two properties acquired from the Partnership as security for the development loans. As at December 31, 2009, the security referenced above has been discharged.

SmartCentres, as one of the partners of the Partnership, has been provided the right, at its option, to receive up to 40% of the Acquisition 4A Earn-Out Proceeds for any new developments in Units of Calloway at a purchase price of $17.80 per Unit (not to exceed 345,000 Units in aggregate). As at December 31, 2009, SmartCentres has earned $22.2 million in Acquisition 4A Earn-Out Proceeds of which $6.0 million has been paid through the issuance of 339,788 Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 4A Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 4B Properties

Concurrently with the closing of the acquisition of the Acquisition 4B Properties from the Partnership II in March 2005, Calloway entered into development agreements (the "**Development Agreements 4B**") with the Partnership II for the development of additional retail space on the undeveloped lands on each of the Acquisition 4B Properties (the "**Acquisition 4B Undeveloped Lands**"). Pursuant to the Development Agreements 4B, the Partnership II assumed responsibility for managing the development of additional retail space on the Acquisition 4B Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until March 10, 2010), subject to the Partnership II's option to extend, which has been exercised, for a further five year term (i.e. until March 10, 2015) (the "**Acquisition 4B Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 4B Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 4B Earn-Out Event**"). The formula used to calculate the Acquisition 4B Earn-Out Proceeds for any new development uses net rents from the new development divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 4B Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. The Partnership II provides financing to Calloway for the development costs of the additional developments. Calloway provided a first mortgage, assignment of rents and leases, and a general security agreement on one property acquired from the Partnership II as security for the development loans. As at December 31, 2009, the security referenced above has been discharged.

SmartCentres, as one of the partners of the Partnership II, has been provided the right, at its option, to receive up to 40% of the Acquisition 4B Earn-Out Proceeds for any new developments in Units of Calloway at a purchase price of $19.60 per Unit (not to exceed 225,000 Units in aggregate). As at December 31, 2009, SmartCentres has earned $17.1 million in Acquisition 4B Earn-Out Proceeds of which $1.6 million has been paid through the issuance of 82,337 Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 4B Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 5 Properties

Concurrently with the closing of the acquisition of the Acquisition 5 Properties from SmartCentres and other vendors in July 2005, Calloway entered into development agreements with SmartCentres and certain of the other vendors for the development of additional retail space on the undeveloped lands on certain of the Acquisition 5 Properties (the "**Acquisition 5 Undeveloped Lands**"). Pursuant to those development agreements, SmartCentres and certain of the other vendors assumed responsibility for managing the development of additional retail space on the Acquisition 5 Undeveloped Lands. At the same time, Calloway entered into an exchange, option and support agreement (the "**Exchange Agreement 5**") with SmartCentres and certain of the other vendors of the Acquisition 5 Properties. Pursuant to the Exchange Agreement 5, SmartCentres and certain of the other vendors have been granted the right for a period of five years from the date of acquisition of the Acquisition 5 Properties (i.e. until July 2010), subject to SmartCentres' option to extend, which has been exercised, for a further five year term (i.e. until July 2015) (the "**Acquisition 5 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 5 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on the Acquisition 5 Undeveloped Lands (an **"Acquisition 5 Earn-Out Event"**). The formula used to calculate the Acquisition 5 Earn-Out Proceeds for any new development uses net rents from the new development divided by the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 5 Property plus 12.5 basis points. If an Acquisition 5 Earn-Out Event does not occur before the expiration of the Acquisition 5 Earn-Out Period with respect to a new building, Calloway will not be required to pay any Acquisition 5 Earn-Out Proceeds in connection with such new building and will be required to repay only 85% of the proceeds it borrowed from the vendors in relation to the acquisition and development of the centres attributable to such new building (including the amount owing under the mortgage, construction financing advances (if any) and interest thereon, all relative to the relevant Acquisition 5 Undeveloped Lands).

SmartCentres and certain of the other vendors have the right, at their option, to receive up to 40% of the gross proceeds for any new developments in up to 3,250,000 LP Class B Series 1 Units, in aggregate, at a purchase price of $20.10 per unit by exchanging a similar amount of LP Class C Series 1 Units, and up to 2,452,762 Units, in aggregate, at a purchase price of $20.10 per unit. Each LP Class B Series 1 Unit issued as a result of an Acquisition 5 Earn-Out Event shall result in the cancellation of one LP Class C Series 1 Unit and the issuance of an additional Special Voting Unit. As at December 31, 2009, SmartCentres and certain of the other vendors have earned $140.1 million in Acquisition 5 Earn-Out Proceeds of which $51.0 million has been paid through the issuance of 1,253,547 LP Class B Series 1 Units and 1,284,718 Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 5 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

With respect to certain of the Acquisition 5 Properties, Calloway will conduct the development process. SmartCentres and certain of the other vendors have been provided the right, at their option, on the completion of any development on such properties (an "**Acquisition 5 Development Event**"), to exchange LP Class C Series 1 Units, LP Class C Series 3 Units or LP Class E Series 1 Units together with a cash payment of $20.10 per unit for LP Class B Series 1 Units, LP Class B Series 3 Units or LP Class D Series 1 Units respectively (up to approximately 5,250,000 LP Class C Series 1 Units, LP Class C Series 3 Units and LP Class E Series 1 Units in aggregate), and to acquire Units (up to approximately 47,238 Units in aggregate) at a price of $20.10 per Unit, for an aggregate amount equal to up to 40% of the value of such development ("**Acquisition 5 Development Proceeds**") where value will be determined in a manner similar to the determination of Acquisition 5 Earn-Out Proceeds. Each LP Class B Series 1 Unit, LP Class B Series 3 Unit or LP Class D Series 1 Unit issued as a result of an Acquisition 5 Development Event shall result in the cancellation of one LP Class C Series 1 Unit, LP Class C Series 3 Unit or LP Class E Series 1 Units respectively and the issuance of an additional Special Voting Unit in certain circumstances. As at December 31, 2009, the Acquisition 5 Development Proceeds equalled $115.3 million and resulted in the issuance of an aggregate of 10,055 Units and 925,262 LP Class B Series 1 Units, LP Class B Series 3 Units and LP Class D Series 1 Units in aggregate to SmartCentres and certain of the other vendors. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any developments on the applicable Acquisition 5 Properties by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 6 Properties

Concurrently with the closing of the acquisition of the Acquisition 6 Properties from SmartCentres in April, 2006, Calloway entered into development agreements (the "**Development Agreements 6**") with SmartCentres for the development of additional retail space on the undeveloped lands on each of the Acquisition 6 Properties (the "**Acquisition 6 Undeveloped Lands**"). Pursuant to the Development Agreements 6, SmartCentres assumed responsibility for managing the development of additional retail space on the Acquisition 6 Undeveloped Lands and was granted the right for a period of five years from the date of the acquisition (i.e. until April 2011), subject to SmartCentres' option, which has been exercised, to extend for a further five year term (i.e. until April 2016) (the "**Acquisition 6 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 6 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on these lands (an "**Acquisition 6 Earn-Out Event**"). The formula used to calculate the Acquisition 6 Earn-Out Proceeds for any new development uses net rents from the new development divided by a capitalization rate which in all cases exceeds the capitalization rate used to derive the portion of the purchase price allocated to the associated Acquisition 6 Property, with the result that in each instance the acquisition of a new development should be accretive to Calloway. SmartCentres provides financing to Calloway for the development costs of the additional developments. As at December 31, 2009, SmartCentres has earned $23.7 million in Acquisition 6 Earn-Out Proceeds.

The Acquisition 7 Properties

Concurrently with the closing of the acquisition of the Acquisition 7 Properties from SmartCentres and other vendors in December 2006, Calloway entered into development agreements with SmartCentres and certain of the other vendors for the development of additional retail space on the undeveloped lands on certain of the Acquisition 7 Properties (the "**Acquisition 7 Undeveloped Lands**"). Pursuant to those development agreements, SmartCentres and certain of the other vendors assumed responsibility for managing the development of additional retail space on the Acquisition 7 Undeveloped Lands. At the same time, Calloway entered into an exchange, option and support agreement (the "**Exchange Agreement 7**") with SmartCentres and certain of the other vendors of the Acquisition 7 Properties. Pursuant to the Exchange Agreement 7, SmartCentres and the other vendors have been granted the right for a period of ten years from the date of acquisition of the Acquisition 7 Properties (i.e. until December 31, 2016) (the "**Acquisition 7 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 7 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on the Acquisition 7 Undeveloped Lands (an **"Acquisition 7 Earn-Out Event"**). The formula used to calculate the Acquisition 7 Earn-Out Proceeds for any new development uses net rents from the new development divided by pre-determined negotiated capitalization rates (based on the then prevailing Government of Canada bond yields plus a spread ranging from 2% to 3%, subject to certain minimum capitalization rates ranging from 6.1% to 7.5% and maximum capitalization rates ranging from 6.9% to 9.5%). If an Acquisition 7 Earn-Out Event does not occur before the expiration of the Acquisition 7 Earn-

Out Period with respect to a new building, Calloway is obligated to pay any amounts attributed to such undeveloped lands in excess of the initial land value of such undeveloped lands.

SmartCentres and certain of the other vendors have the right, at their option, to receive up to 30% of the gross proceeds for any new developments up to 3,350,000 LP Class B Series 2 Units, in aggregate, and 800,000 LP Class D Series 2 Units, in aggregate, at purchase prices ranging from $29.55 to $33.00 per unit by exchanging a similar amount of LP Class C Series 2 Units, and up to 551,416 Units, in aggregate, at purchase prices ranging from $29.55 to $33.00 per unit. Each LP Class B Series 2 Unit and LP Class D Series 2 Unit issued as a result of an Acquisition 7 Earn-Out Event shall result in the cancellation of one LP Class C Series 2 Unit and one LP Class E Series 2 Unit, respectively, and the issuance of an additional Special Voting Unit in certain circumstances. As at December 31, 2009, SmartCentres and certain of the other vendors have earned $169.4 million in Acquisition 7 Earn-Out Proceeds, none of which has been paid through the issuance of LP Class B Series 2 Units, LP Class D Series 2 Units or Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 7 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 8 Properties

Concurrently with the closing of the acquisition of the Acquisition 8 Properties from SmartCentres, Calloway entered into development agreements with SmartCentres for the development of additional retail space on the undeveloped lands on certain of the Acquisition 8 Properties (the "**Acquisition 8 Undeveloped Lands**"). Pursuant to those development agreements, SmartCentres assumed responsibility for managing the development of additional retail space on the Acquisition 8 Undeveloped Lands. On February 29, 2008, Calloway entered into an option agreement (the "**Exchange Agreement 8**") with SmartCentres. Pursuant to the Exchange Agreement 8, SmartCentres has been granted the right for a period of approximately ten years from the date of acquisition of the Acquisition 8 Properties (i.e. until July 2017) (the "**Acquisition 8 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 8 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on the Acquisition 8 Undeveloped Lands (an **"Acquisition 8 Earn-Out Event"**). The formula used to calculate the Acquisition 8 Earn-Out Proceeds for any new development uses net rents from the new development divided by pre-determined negotiated capitalization rates ranging from a minimum of 5.95% to capitalization rates based on the then prevailing Government of Canada bond yields plus a spread of 2%, subject to maximum capitalization rates of 6.85%. If an Acquisition 8 Earn-Out Event does not occur before the expiration of the Acquisition 8 Earn-Out Period with respect to a new building, Calloway is obligated to pay any amounts attributed to such undeveloped lands in excess of the initial land value of such undeveloped lands.

SmartCentres has the right, at their option, to receive up to 30% of the gross proceeds for any new developments in up to 1,348,223 Units, in aggregate, at purchase prices ranging from $29.55 to $33.00 per Unit. As at December 31, 2009, SmartCentres has earned $115.3 million in Acquisition 8 Earn-Out Proceeds, none of which has been paid through the issuance of Units. On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 8 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

The Acquisition 9 Properties

Concurrently with the closing of the acquisition of the Acquisition 9 Properties from SmartCentres and Wal-Mart Canada Realty Inc. in June, 2008, Calloway entered into development agreements with SmartCentres for the development of additional retail space on the undeveloped lands on certain of the Acquisition 9 Properties (the "**Acquisition 9 Undeveloped Lands**"). Pursuant to those development agreements, SmartCentres assumed responsibility for managing the development of additional retail space on the Acquisition 9 Undeveloped Lands. Calloway also entered into an option agreement (the "**Exchange Agreement 9**") with SmartCentres. Pursuant to the Exchange Agreement 9, SmartCentres has been granted the right for a period of approximately ten years from the date of acquisition of the Acquisition 9 Properties (i.e. until June 2018) (the "**Acquisition 9 Earn-Out Period**"), to earn additional proceeds (the "**Acquisition 9 Earn-Out Proceeds**") from Calloway on the completion and rental of additional space on the Acquisition 9 Undeveloped Lands (an **"Acquisition 9 Earn-Out Event"**). The formula used to calculate the Acquisition 9 Earn-Out Proceeds for any new development uses net rents from the new development divided by pre-determined negotiated capitalization rates ranging from 6.425% and 8.125%. If an Acquisition 9 Earn-Out Event does not occur before the expiration of the Acquisition 9 Earn-Out Period with respect to a new building, Calloway is obligated to pay any amounts attributed to such undeveloped lands in excess of the initial land value of such undeveloped lands.

SmartCentres has the right, at their option, to receive proceeds for any new developments up to 750,000 LP Class F Series 3 units (the **"LP Class F Series 3 Units"**), in aggregate, at a purchase price of $20.10 per unit by exchanging a similar amount of LP Class C Series 3 Units. Each LP Class F Series 3 Unit issued as a result of an Acquisition 9 Earn-Out Event shall result in the cancellation of one LP Class C Series 3 Unit and the issuance of an additional Special Voting Unit in certain circumstances. Each LP Class F Series 3 Unit is exchangeable at the option of the holder for cash or one LP Class B Series 1 Unit. LP Class B Series 1 Units are exchangeable at the option of the holder on a one for one basis for Units. As at December 31, 2009, SmartCentres has earned $43.0 million in Acquisition 9 Earn-Out Proceeds, of which $127,494 has been paid through the issuance of 6,343 LP Class B Series 3 Units (i.e. on the subsequent exchange of the related LP Class F Series 3 Units). On the assumption that it will be able to obtain financing on acceptable terms, Calloway expects that it will raise the needed capital to finance the balance of any Acquisition 9 Earn-Out Proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

Issuance of Securities on Earn-out Events

In the event that SmartCentres or any other applicable vendors do not elect to take any portion of the aforementioned earn-out proceeds in Units or exchangeable Calloway LP units, Calloway expects that it will raise the needed capital to finance the balance of any applicable earn-out proceeds by issuing equity, or issuing mortgages secured against its properties, or by way of advances under operating or acquisition facilities.

Other Opportunities With SmartCentres

In addition to the acquisition of retail developments on the aforementioned undeveloped lands as these projects are completed, Calloway hopes to have the opportunity to acquire additional new format retail developments from SmartCentres. SmartCentres' equity and board positions in Calloway may provide Calloway with an enhanced opportunity to access SmartCentres divestures if and when they arise.

OVERVIEW OF PROPERTY PORTFOLIO

General

As of December 31, 2009, the Property Portfolio consisted of 127 properties located in all of the provinces of Canada including:

a. 12 properties located in British Columbia;
b. 5 properties located in Alberta;
c. 3 properties located in Saskatchewan;
d. 3 properties located in Manitoba;
e. 75 properties located in Ontario;
f. 16 properties located in Quebec;
g. 2 property located in New Brunswick;
h. 4 properties located in Nova Scotia;
i. 1 property located in Prince Edward Island; and
j. 6 properties located in Newfoundland and Labrador.

The Property Portfolio is comprised almost exclusively of retail properties. As at December 31, 2009, approximately 99.5% of gross rental revenue was derived from retail properties containing an aggregate of 22,620,891 square feet and approximately 0.5% of gross rental revenue was derived from industrial and office properties containing an aggregate of 128,916 square feet. The occupancy rate for the Property Portfolio as at December 31, 2009, was 98.9%.

Information in the charts below is given as of December 31, 2009.

The majority of the properties have been completed within the past nine years. Each of the properties has been professionally managed and well maintained. The properties enjoy the benefits of strong locations and professional management and leasing practices, resulting in low vacancy, stable income and controlled expenses.

The following table summarizes the Property Portfolio as a whole as at December 31, 2009.

	Total
Number of Properties	127
Net Rentable Area (square feet) (excluding Undeveloped Lands)	22,749,807
Occupancy	98.9%
Average Non-Anchor Net Rent in Place	$18.89
Average Net Rent in Place	$13.76

Retail Properties

The following table sets forth certain summary information as at December 31, 2009, with respect to the retail properties in the Property Portfolio:

Property	Location	Ownership Interest	Net Rentable Area(1)	Future Area(1)	Occupancy	Year Built	Year Acquired
Courtenay SmartCentre	Courtenay, BC	100%	243,372	0	100.0%	2002	2004
Cranbrook SmartCentre	Cranbrook, BC	100%	136,626	5,035	100.0%	2002	2004
Kamloops SmartCentre	Kamloops, BC	100%	217,252	0	100.0%	2001	2004
Langley SmartCentre	Langley, BC	100%	327,092	2,870	98.3%	2002	2004
New Westminster SmartCentre	New Westminster, BC	100%	382,577	32,277	97.1%	2004	2005
Penticton Power Centre	Penticton, BC	100%	201,948	0	100.0%	1998	2006
Prince George SmartCentre	Prince George, BC	100%	254,074	47,844	98.1%	2004	2005
Surrey West SmartCentre	Surrey, BC	100%	183,298	52,410	97.2%	2004	2008
Vernon SmartCentre	Vernon, BC	100%	249,183	8,585	100.0%	2002	2004
Calgary Southeast SmartCentre	Calgary, AB	100%	215,301	0	100.0%	2005	2005
Crowchild Corner	Calgary, AB	100%	23,377	0	87.0%	1975	2000
Edmonton Northeast SmartCentre	Edmonton, AB	100%	227,059	15,645	99.4%	2002	2005
Lethbridge SmartCentre	Lethbridge, AB	100%	337,436	0	92.0%	2002	2004
St. Albert SmartCentre	St. Albert, AB	100%	249,669	17,981	100.0%	2003	2004

Property	Location	Ownership Interest	Net Rentable Area[1]	Future Area[1]	Occupancy	Year Built	Year Acquired
Regina East SmartCentre	Regina, SK	100%	370,755	0	100.0%	2000	2005
Regina North SmartCentre	Regina, SK	100%	226,521	3,307	100.0%	2004	2004
Saskatoon South SmartCentre	Saskatoon, SK	100%	337,135	1,294	100.0%	2007	2008
Kenaston Common SmartCentre	Winnipeg, MB	100%	220,323	66,596	100.0%	2006	2007
Winnipeg Southwest SmartCentre	Winnipeg, MB	100%	491,154	6,140	100.0%	2000	2005
Winnipeg West SmartCentre	Winnipeg, MB	100%	287,706	61,967	100.0%	2002	2004
Ancaster SmartCentre	Ancaster, ON	100%	235,807	24,158	100.0%	1998	2003
Aurora North SmartCentre	Aurora, ON	50%	239,257	17,053	100.0%	2008	2007
Aurora SmartCentre	Aurora, ON	100%	50,463	0	100.0%	2000	2003
Barrie North SmartCentre	Barrie, ON	100%	201,697	0	100.0%	2000	2004
Barrie South SmartCentre	Barrie, ON	100%	369,577	0	100.0%	1996	2005
Bolton SmartCentre	Bolton, ON	100%	235,434	0	99.1%	2004	2005
Bramport SmartCentre	Brampton, ON	100%	115,302	167,129	100.0%	2007	2006
Brampton East SmartCentre (I)	Brampton, ON	100%	35,777	0	100.0%	2002	2003
Brampton East SmartCentre (II)	Brampton, ON	100%	358,432	0	99.2%	1999	2005
Brampton North SmartCentre	Brampton, ON	100%	41,535	17,036	97.0%	2002	2003
Brockville SmartCentre	Brockville, ON	100%	108,605	27,015	100.0%	2005	2006
Burlington North SmartCentre	Burlington, ON	100%	176,483	51,713	100.0%	2004	2004
Burlington Staples SmartCentre	Burlington, ON	100%	134,238	0	100.0%	2002	2003
Cambridge SmartCentre (I)	Cambridge, ON	100%	626,873	63,165	93.2%	2002	2005
Cambridge SmartCentre (II)	Cambridge, ON	100%	32,068	16,173	74.9%	2006	2005
Carleton Place SmartCentre	Carleton Place, ON	100%	148,607	133,230	100.0%	2007	2006
Chatham SmartCentre	Chatham, ON	50%	139,838	13,000	100.0%	2004	2005

Property	Location	Ownership Interest	Net Rentable Area[1]	Future Area[1]	Occupancy	Year Built	Year Acquired
Cobourg SmartCentre	Cobourg, ON	100%	160,543	0	100.0%	2003	2004
Leaside SmartCentre	East York, ON	100%	131,693	118,301	100.0%	2002	2006
Etobicoke SmartCentre	Etobicoke, ON	100%	293,847	0	100.0%	2004	2005
Rexdale SmartCentre	Etobicoke, ON	100%	34,865	0	100.0%	2004	2006
Hanover SmartCentre	Hanover, ON	100%	19,874	5,692	100.0%	2005	2005
Huntsville SmartCentre	Huntsville, ON	100%	120,254	8,860	100.0%	2004	2005
Kapuskasing SmartCentre	Kapuskasing, ON	100%	65,592	5,623	100.0%	2000	2004
Kenora Wal-Mart Centre	Kenora, ON	100%	80,881	0	100.0%	2005	2005
Laurentian Power Centre	Kitchener, ON	100%	185,993	0	100.0%	2002	2006
London East Argyle Mall	London, ON	100%	353,490	78,505	97.1%	2000	2003
London North SmartCentre	London, ON	50%	236,044	26,977	97.8%	2002	2005
London Northwest SmartCentre	London, ON	100%	35,319	337,856	100.0%	2008	2005
Markham Woodside SmartCentre (I)	Markham, ON	50%	162,806	0	100.0%	1996	2005
Markham Woodside SmartCentre (II)	Markham, ON	50%	16,665	0	100.0%	2005	2005
Midland SmartCentre	Midland, ON	100%	35,594	7,638	95.4%	2005	2005
Milton Wal-Mart Centre	Milton, ON	50%	64,464	53,154	98.7%	2005	2006
Mississauga (Erin Mills) SmartCentre	Mississauga, ON	100%	276,017	14,077	97.9%	2003	2005
Westgate SmartCentre	Mississauga, ON	100%	555,448	72,639	100.0%	2001	2006
Napanee SmartCentre	Napanee, ON	100%	109,383	14,420	100.0%	2006	2005
401 & Weston Power Centre	North York, ON	44%	171,994	0	94.8%	1994	2006
Hopedale Mall	Oakville, ON	100%	309,081	0	96.4%	2005	2007
Orleans SmartCentre	Orleans, ON	100%	381,416	1,493	100.0%	2005	2008
Oshawa North SmartCentre	Oshawa, ON	100%	423,403	154,405	100.0%	2000	2006

Property	Location	Ownership Interest	Net Rentable Area[1]	Future Area[1]	Occupancy	Year Built	Year Acquired
Oshawa South SmartCentre	Oshawa, ON	50%	224,588	39,234	100.0%	2008	2007
Ottawa South SmartCentre	Ottawa, ON	50%	245,143	0	100.0%	1998	2005
Owen Sound SmartCentre	Owen Sound, ON	100%	157,831	5,000	100.0%	2002	2004
Pembroke SmartCentre	Pembroke, ON	100%	11,247	0	100.0%	2003	2004
Peterborough Home Outfitters Centre	Peterborough, ON	100%	58,355	0	100.0%	2006	2006
Pickering SmartCentre	Pickering, ON	100%	528,001	0	100.0%	2005	2005
Renfrew SmartCentre	Renfrew, ON	100%	9,471	9,300	100.0%	2005	2005
Richmond Hill SmartCentre	Richmond Hill, ON	50%	136,117	0	100.0%	2007	2009
Rockland SmartCentre	Rockland, ON	100%	121,882	57,126	100.0%	2007	2006
Scarborough (1900 Eglinton) SmartCentre	Scarborough, ON	100%	299,029	93,000	100.0%	2006	2008
Scarborough East SmartCentre (I)	Scarborough, ON	100%	92,545	17,865	100.0%	2002	2003
Scarborough East SmartCentre (II)	Scarborough, ON	100%	281,242	0	100.0%	2003	2005
St. Catharines West SmartCentre (I)	St. Catharines, ON	100%	360,530	0	100.0%	2002	2004
St. Catharines West SmartCentre (II)	St. Catharines, ON	100%	111,216	8,940	100.0%	2007	2005
St. Thomas SmartCentre	St. Thomas, ON	100%	202,721	20,000	100.0%	2002	2004
Stouffville SmartCentre	Stouffville, ON	100%	147,834	451,875	100.0%	2007	2007
Toronto Stockyards SmartCentre	Toronto, ON	100%	8,550	0	100.0%	2006	2007
Westside Mall	Toronto, ON	100%	144,377	0	100.0%	2001	2006
400 & 7 Power Centre	Vaughan, ON	100%	237,992	0	100.0%	1994	2006
Rutherford Village Shopping Centre	Vaughan, ON	100%	104,036	0	95.6%	2002	2007
Vaughan SmartCentre	Vaughan, ON	100%	269,755	306,788	100.0%	2004	2005
Welland SmartCentre	Welland, ON	100%	203,824	116,585	100.0%	2006	2005
Whitby North SmartCentre	Whitby, ON	100%	231,695	0	100.0%	2003	2005

Property	Location	Ownership Interest	Net Rentable Area[1]	Future Area[1]	Occupancy	Year Built	Year Acquired
Whitby Northeast SmartCentre	Whitby, ON	100%	26,949	29,378	100.0%	2006	2006
Windsor South SmartCentre	Windsor, ON	100%	230,356	1,570	97.0%	2003	2004
Woodbridge SmartCentre	Woodbridge, ON	50%	215,255	0	89.4%	1996	2005
Woodstock SmartCentre	Woodstock, ON	100%	216,281	21,400	100.0%	2003	2004
Drummondville SmartCentre	Drummondville, QC	100%	51,186	0	72.5%	2003	2005
Hull SmartCentre	Hull, QC	50%	147,658	0	100.0%	2000	2005
Kirkland SmartCentre	Kirkland, QC	100%	207,216	0	100.0%	2003	2006
Laval West SmartCentre	Laval, QC	100%	558,073	0	100.0%	2001	2004
Magog SmartCentre	Magog, QC	100%	101,854	159,118	100.0%	2007	2006
Mascouche SmartCentre	Mascouche, QC	100%	364,153	0	100.0%	2002	2004
Montreal (Decarie) SmartCentre	Montreal, QC	50%	112,383	12,250	100.0%	2001	2005
Montreal North SmartCentre	Montreal, QC	100%	257,204	25,800	100.0%	2004	2005
Place Bourassa Mall	Montreal, QC	100%	276,206	0	100.0%	1966	2006
Rimouski SmartCentre	Rimouski, QC	100%	216,273	26,996	98.3%	2002	2004
Saint-Constant SmartCentre	Saint-Constant, QC	100%	303,731	19,500	100.0%	2002	2005
Saint-Jean SmartCentre	Saint-Jean, QC	100%	195,929	14,200	100.0%	2002	2004
Saint-Jerome SmartCentre	Saint-Jerome, QC	100%	119,756	36,756	100.0%	2005	2005
Sherbrooke SmartCentre	Sherbrooke, QC	100%	205,185	5,112	100.0%	2005	2008
Valleyfield SmartCentre	Valleyfield, QC	100%	161,236	0	100.0%	2002	2004
Victoriaville SmartCentre	Victoriaville, QC	100%	23,214	17,450	100.0%	2009	2006
Saint John SmartCentre	Saint John, NB	100%	271,084	0	100.0%	2003	2004
Bridgewater SmartCentre	Bridgewater, NS	100%	31,996	36,000	93.6%	2005	2005
Halifax Bayers Lake Centre	Halifax, NS	100%	155,306	0	92.0%	1998	2004

Property	Location	Ownership Interest	Net Rentable Area(1)	Future Area(1)	Occupancy	Year Built	Year Acquired
New Minas SmartCentre	New Minas, NS	100%	45,561	0	95.5%	2002	2003
Truro SmartCentre	Truro, NS	100%	123,571	18,300	100.0%	2002	2004
Charlottetown SmartCentre	Charlottetown, PE	100%	188,924	28,100	100.0%	2002	2004
Corner Brook SmartCentre	Corner Brook, NL	100%	178,980	0	100.0%	2002	2004
Gander SmartCentre	Gander, NL	100%	25,235	96,850	91.8%	2006	2005
Mount Pearl SmartCentre	Mount Pearl, NL	100%	248,669	11,454	98.9%	2002	2004
Pearlgate Shopping Centre	Mount Pearl, NL	100%	42,893	0	93.2%	2004	2007
St. John's Central SmartCentre	St. John's, NL	100%	109,870	40,731	85.2%	2005	2005
St. John's East SmartCentre	St. John's, NL	100%	364,210	0	100.0%	2001	2005
Total Retail Properties			**22,620,891**	**3,477,939**			

Note:
(1) Represents Calloway's interest in the net rentable area of the property.

Industrial and Office Properties

The following table sets forth certain summary information as at December 31, 2009, with respect to the industrial and office properties in the Property Portfolio:

Property	Location	Ownership Interest	Net Rentable Area(1)	Future Area(1)	Occupancy	Year Built	Year Acquired
Airtech Centre	Richmond, BC	100%	111,488	0	100.0%	1985	2002
British Colonial Building	Toronto, ON	100%	17,428	0	100.0%	1985	2002
Total Industrial and Office Properties			**128,916**	0			

Note:
(1) Represents Calloway's interest in the net rentable area of the property.

Retail Development Lands

The following table sets forth certain summary information as at December 31, 2009, with respect to the retail development lands in the Property Portfolio:

Retail Development Lands	Location	Ownership Interest	Area Upon Completion	Year Acquired
Quesnel SmartCentre	Quesnel, BC	100%	89,498	2005

Retail Development Lands	Location	Ownership Interest	Area Upon Completion	Year Acquired
Salmon Arm SmartCentre	Salmon Arm, BC	50%	198,019	2007
Burlington (Appleby) SmartCentre	Burlington, ON	100%	162,724	2006
Dunnville SmartCentre	Dunnville, ON	100%	105,304	2005
Etobicoke (Index) SmartCentre	Etobicoke, ON	100%	171,435	2006
Fort Erie SmartCentre	Fort Erie, ON	100%	36,455	2005
Halton Hills SmartCentre	Halton Hills, ON	100%	466,025	2007
Innisfil SmartCentre	Innisfil, ON	50%	178,475	2009
Mississauga (Dixie and Dundas) Centre	Mississauga, ON	100%	207,325	2007
Fredericton North SmartCentre	Fredericton, NB	100%	51,075	2006
Total Retail Development Lands			**1,666,335**	

Tenant Mix

The following table illustrates the top ten tenants for the Property Portfolio as at December 31, 2009, in terms of their percentage contribution to gross rental revenues of the Property Portfolio:

Tenant	% of Gross Rental Revenues
Wal-Mart	26.4%
Canadian Tire	4.0%
Best Buy / Future Shop	3.6%
HBC	3.5%
Reitmans	3.1%
Winners	2.9%
Sobeys	2.6%
Rona	2.4%
Staples	2.1%
The Brick	1.7%
TOTAL	**52.2%**

Occupancy Rates

Overall, the Property Portfolio has experienced high occupancy rates. The occupancy rate for the Property Portfolio was 98.9% as at December 31, 2009.

The following table summarizes the lease maturities for the Property Portfolio as at December 31, 2009.

Expiries by Year	Area	% of Total Area
Month-to-month	24,956	0.11%

Expiries by Year	Area	% of Total Area
2009	440,851	1.94%
2010	1,054,343	4.63%
2011	1,011,545	4.45%
2012	1,651,004	7.26%
2013	1,415,383	6.22%
2014	1,311,450	5.76%
2015	1,065,458	4.68%
2016	1,185,970	5.21%
2017	1,314,021	5.78%
Beyond	12,024,319	52.85%
Vacant	250,507	1.10%
TOTAL	**22,749,807**	**100.00%**

Financing

The following table summarizes the principal mortgage debt repayments (excluding capital lease obligations) on Calloway's portfolio of income producing properties (assuming debt is not renewed on maturity) as at December 31, 2009:

	Payments of Principal ($)	Debt Maturing During Year ($)	Total ($)	% of Total	Weighted Average Interest Rate
Term Facilities					
2010	48,695,380	24,038,957	72,734,337	2.7	6.16
2011	50,309,694	83,264,907	133,574,601	4.9	6.22
2012	50,729,917	84,181,668	134,911,585	4.9	5.46
2013	48,010,261	232,950,137	280,960,398	10.3	6.19
2014	45,051,547	219,181,470	264,233,016	9.7	5.92
2015	41,194,216	154,180,427	195,374,643	7.2	5.76
2016	40,215,446	89,989,727	130,205,173	4.8	5.87
2017	38,531,193	91,657,082	130,188,275	4.8	5.74
2018	27,579,455	135,075,152	162,654,608	6.0	6.08
2019	22,522,307	82,864,468	105,386,775	3.9	5.96
2020	16,800,365	66,672,505	83,472,870	3.0	5.41
2021	13,579,597	28,066,890	41,646,488	1.5	5.44
2022	12,945,315	15,577,369	28,522,685	1.0	5.77
2023	10,444,550	42,340,372	52,784,922	1.9	5.63
Thereafter	10,949,734	15,669,074	26,618,807	1.0	5.86
Development and Revolving Operating Facilities					
Development loans	-	144,322,240	144,322,240	5.3	2.26
Secured loans	-	92,000,000	92,000,000	3.4	2.34
Debentures					
2010	-	46,452,000	46,452,000	1.7	4.51
2013	-	118,954,000	118,954,000	4.4	6.65
2014	-	229,815,000	229,815,000	8.4	6.00
2016	-	250,000,000	250,000,000	9.2	5.37

	Payments of Principal ($)	Debt Maturing During Year ($)	Total ($)	% of Total	Weighted Average Interest Rate
Total	**477,558,977**	**2,247,253,444**	**2,724,812,421**	**100.0**	**5.55**
Mark-To-Market Adjustment			**17,304,684**		
			2,742,117,105		
Less: Deferred Financing Costs			**(15,419,476)**		
Total Indebtedness			**2,726,697,629**		

Debt (excluding Convertible Debentures) as a percentage of Gross Book Value	55.3%
Debt (including Convertible Debentures) as a percentage of Gross Book Value	57.9%
Weighted average interest rate (excluding adjustment for mark-to-market amortization of assumed term debt on acquisition)	5.90%
Weighted average interest rate (including adjustment for mark-to-market amortization of assumed term debt on acquisition)	5.84%

ASSETS OF CALLOWAY

A description of each of the properties in the Property Portfolio is set out below:

British Columbia

Airtech Centre, 6020 Russ Baker Way, Richmond, British Columbia

Airtech Centre is a 111,000 square foot office/warehouse building situated near Vancouver International Airport in Richmond, British Columbia. Calloway has acquired a crown lease for this property, which expires on December 31, 2011 and contains a 10-year renewal option which Calloway intends to exercise. The property is leased to several prominent tenants. The centre is anchored by MTU Maintenance, which occupies 65,000 square feet. Other tenants include Amre Supply Company, William L. Rutherford, Standard Aero, Re/Max West Coast, Shearwater Marine, Aviation World and McDonalds.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
MTU Maintenance	64,537	57.89%	48.85%
Amre Supply Company	10,958	9.83%	8.40%
William L. Rutherford	10,823	9.71%	14.28%
Standard Aero	8,481	7.61%	9.36%

Courtenay SmartCentre, 3199 Cliffe Avenue, Courtenay, British Columbia

Courtenay SmartCentre is a 243,000 square foot shopping centre that is situated on 23.47 acres at the northwest corner of Anfield Road and Cliffe Avenue in Courtenay, British Columbia. A 107,000 square foot Wal-Mart store anchors the centre. Other national tenants include Winners, Staples, Future Shop, Petland, Sport Mart, Mark's Work Wearhouse, Reitmans, Royal Bank of Canada, Sleep Country, Penningtons, Everything for a Dollar, and The Source. The site can accommodate a 45,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	106,642	43.82%	32.14%
Winners	27,441	11.28%	9.51%
Staples	22,956	9.43%	9.40%
Future Shop	20,063	8.24%	8.85%

Cranbrook SmartCentre, 2100 Willowbrook Drive, Cranbrook, British Columbia

Cranbrook SmartCentre is a 137,000 square foot shopping centre that is situated on 15.85 acres at the southeast quadrant of 22nd Street North and Theatre Road in Cranbrook, British Columbia. The centre is anchored by a 107,000 square foot Wal-Mart store. Shadow anchors include a 143,000 square foot Real Canadian Superstore (Loblaws) and a 43,000 square foot Home Hardware. Other national tenants include Mark's Work Wearhouse, Penningtons, La Senza, Tim Hortons, Payless Shoesource, EB Games and Bell World. An additional 5,000 square feet of future development potential remain on undeveloped lands. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	107,158	78.43%	56.83%
Mark's Work Wearhouse	8,004	5.86%	9.84%
Penningtons	4,510	3.30%	5.38%
La Senza	3,498	2.56%	5.21%

Kamloops SmartCentre, 1055 Hillside Drive, Kamloops, British Columbia

Kamloops SmartCentre is a 217,000 square foot shopping centre that is situated on 20.54 acres at the southeast corner of McGill Road and Notre Dame Drive in Kamloops, British Columbia. A 129,000 square foot Wal-Mart store anchors the centre. Other major tenants include Michaels, Lordco Auto Parts, Pier 1 Imports, Sleep Country, Montana's Cookhouse, Reitmans, Everything for a Dollar and Warehouse One.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,609	59.20%	46.19%
Michaels	20,655	9.51%	9.85%
Lordco Auto Parts	20,383	9.38%	8.68%
Pier 1 Imports	9,542	4.39%	5.53%

Langley SmartCentre, 20202 66th Avenue, Langley, British Columbia

Langley SmartCentre is a 327,000 square foot shopping centre that is situated on 27.81 acres at the southwest corner of 66th Avenue and 203rd Street in Langley, British Columbia. The centre is anchored by a 129,000 square foot Wal-Mart, a 40,000 square foot Home Outfitters, a 38,000 square foot London Drugs, and a 31,000 square foot Best

Buy. Other major tenants include Old Navy, Envision Credit Union, Adidas, Reitmans, Moores, Hallmark, Everything for a Dollar, Wendy's, Payless Shoesource, and The Source. The centre has an additional 3,000 square feet of future development potential remaining. The site can accommodate a 29,000 square foot expansion of the Wal-Mart store. Shadow anchors include a 130,000 square foot Home Depot and a 42,000 square foot Save-on-Foods store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	129,311	39.53%	25.38%
Home Outfitters	40,145	12.27%	12.24%
London Drugs	37,595	11.49%	13.83%
Best Buy	30,535	9.34%	9.00%

New Westminster SmartCentre, 800 Boyd Street, New Westminster, British Columbia

New Westminster SmartCentre is a 383,000 square foot shopping centre that is situated on 35.06 acres at the intersection of Boyd Street and Queensborough Bridge in New Westminster, British Columbia. A 132,000 square foot Wal-Mart store anchors the centre. Other national tenants include Home Outfitters, Best Buy, Tommy Hilfiger, The Children's Place, La Senza, Fairweather, Boston Pizza, Reebok, Mexx, Moores, Le Chateau, Esprit, Guess and Sleep Country. An additional 32,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	131,770	34.44%	19.69%
Home Outfitters	28,292	7.40%	7.15%
Best Buy	26,106	6.82%	6.14%
Tommy Hilfiger	8,506	2.22%	2.79%

Penticton Power Centre, 2210 Main Street, Penticton, British Columbia

Penticton Power Centre is a 202,000 square foot shopping centre that is situated on Main Street and Dawson Avenue in Penticton, British Columbia. A 111,000 square foot Zellers anchors the centre. Other national tenants include Staples, Winners, Petcetera, Sleep Country, and TD Canada Trust.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Zellers	110,795	54.86%	41.60%
Staples	26,011	12.88%	14.42%
Winners	25,910	12.83%	14.07%
Petcetera	14,972	7.41%	9.48%

Prince George SmartCentre, 6565 Southridge Avenue, Prince George, British Columbia

Prince George SmartCentre is a 254,000 square foot shopping centre that is situated on 31.42 acres at the intersection of Yellowhead Highway 16 West and Domano Boulevard in Prince George, British Columbia. A 133,000 square foot Wal-Mart store anchors the centre. Shadow anchors include a 96,000 square foot Canadian Tire store and a 108,000 square foot Home Depot. Other national tenants include Michaels, Mark’s Work Wearhouse, Petland, Vision Electronics, La Senza, Addition-Elle, Smart Set, Reitmans, Everything for a Dollar, and Royal Bank of Canada. An additional 48,000 square feet of development potential remain and a 32,000 square foot expansion of the Wal-Mart store can be accommodated on the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	133,020	52.35%	34.23%
Michaels	17,454	6.87%	7.29%
Mark's Work Wearhouse	12,650	4.98%	6.62%
Petland	12,103	4.76%	6.85%

Quesnel SmartCentre, Quesnel, British Columbia

Quesnel SmartCentre is a development property that is situated on approximately 8.29 acres at Cariboo Highway and Maple Drive in Quesnel, British Columbia. The site has been zoned for commercial uses and has 89,000 square feet of developable area. An 82,000 square foot Wal-Mart store is currently in operation on lands immediately adjacent to the site.

Salmon Arm SmartCentre, Salmon Arm, British Columbia

Salmon Arm SmartCentre is a development property that is situated on approximately 61.86 acres at Trans Canada Highway and 30th Street in Salmon Arm, British Columbia. The site has been zoned for commercial uses and has 396,000 square feet of developable area. Calloway owns a 50% interest in this property.

Surrey West SmartCentre, 12549 - 88th Avenue, Surrey, British Columbia

Surrey West SmartCentre is a 183,000 square foot shopping centre that is situated on approximately 23.61 acres at the northeast corner of 88th Avenue and 124th Street in Surrey, British Columbia. The centre is anchored by a 134,000 square foot Wal-Mart store. Other national tenants include Dollar Giant, Sleep Country, Reitmans, La Senza, Ardene, Burger King, and Payless Shoesource. The site has 52,000 square feet of developable area remaining.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	133,943	73.07%	61.37%
Dollar Giant Nothing Over A Dollar	8,751	4.77%	6.15%
Sleep Country Canada	5,687	3.10%	6.00%
Reitmans	5,500	3.00%	3.87%

Vernon SmartCentre, 2200 58th Avenue, Vernon, British Columbia

Vernon SmartCentre is a 249,000 square foot shopping centre that is situated on 24.14 acres on the southeast quadrant of Highway 97 and 27th Street in Vernon, British Columbia. A 145,000 square foot Wal-Mart Supercentre anchors the centre. Other tenants include Future Shop, Value Village, Mark's Work Wearhouse, La Senza, Petland, Sleep Country, Penningtons, Everything for a Dollar, Reitmans, Warehouse One and Tim Hortons. The centre has an additional 9,000 square feet of development potential remaining on undeveloped lands. Rona shadow anchors the centre, occupying a 50,300 square foot store adjacent to the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	144,782	58.10%	34.16%
Future Shop	19,906	7.99%	10.30%
Value Village Stores	18,855	7.57%	8.25%
Mark's Work Wearhouse	16,106	6.46%	12.41%

Alberta

Calgary Southeast SmartCentre, 4705 130th Avenue SE, Calgary, Alberta

Calgary Southeast SmartCentre is a 215,000 square foot shopping centre that is situated on 19.94 acres at the intersection of Deerfoot Trail and 130th Avenue Southeast in Calgary, Alberta. A 130,000 square foot Wal-Mart store and a 39,000 square foot London Drugs anchor the centre. Other national tenants include Mark's Work Wearhouse, Reitmans, Penningtons, Everything for a Dollar, Hallmark, Chatters Salon, and Payless Shoesource. The site can accommodate a 20,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	130,032	60.40%	37.10%
London Drugs	39,047	18.14%	25.01%
Mark's Work Wearhouse	12,614	5.86%	9.23%
Reitmans	6,023	2.80%	4.23%

Crowchild Corner, 2439 54th Avenue SW, Calgary, Alberta

Crowchild Corner is a 23,000 square foot shopping centre that is situated on Crowchild Trail in southwest Calgary, Alberta. This thoroughfare enjoys one of the city's highest traffic counts of 73,000 vehicles per day. The property consists of a single story "L" shaped building with 119 parking stalls and a good tenant mix including Re/Max House of Real Estate, Respiratory Homecare Solutions, Wozniak & Lester, Pfanntastic Pannenkoek Haus, and Mac's Convenience Store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Re/Max House of Real Estate	8,175	34.97%	37.87%
Respiratory Homecare Solutions	2,495	10.67%	12.61%
Wozniak & Lester	1,861	7.96%	8.36%
Pfanntastic Pannenkoek Haus	1,860	7.96%	10.18%

Edmonton Northeast SmartCentre, 13703 40th Street NW, Edmonton, Alberta

Edmonton Northeast SmartCentre is a 227,000 square foot shopping centre that is situated on 23.35 acres at 137th Avenue and 40th Street Northwest in Edmonton, Alberta. A 131,000 square foot Wal-Mart store anchors the centre. Other national tenants include Michaels, Mark's Work Wearhouse, Everything for a Dollar, Moores, Blockbuster Video, Penningtons, Reitmans, East Side Mario's, Hallmark and The Source. An additional 16,000 square feet of development potential remain on the site. A 32,000 square foot expansion of the Wal-Mart store can be accommodated on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	130,718	57.57%	37.84%
Michaels	23,927	10.54%	12.47%
Mark's Work Wearhouse	12,500	5.51%	7.21%
Everything for a Dollar	5,991	2.64%	4.27%

Lethbridge SmartCentre, 3700 Mayor Magrath Drive S, Lethbridge, Alberta

Lethbridge SmartCentre is a 337,000 square foot shopping centre that is situated on 28.35 acres at the northwest corner of 28th Street South and Highway 5 in Lethbridge, Alberta. The centre is anchored by a 207,000 square foot Wal-Mart Supercentre, and shadow-anchored by 95,000 square foot Home Depot. Other national tenants include Ashley Furniture, Mark's Work Wearhouse, Tony Roma's, Addition-Elle, Sleep Country, Moores, East Side Mario's, Reitmans, Bank of Nova Scotia and Bulk Barn.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	206,872	61.31%	34.64%
Ashley Furniture Homestore	25,270	7.49%	12.76%
Mark's Work Wearhouse	12,813	3.80%	6.68%
Tony Roma's	6,237	1.85%	5.23%

St. Albert SmartCentre, 700 St. Albert Road, St. Albert, Alberta

St. Albert SmartCentre is a 250,000 square foot shopping centre that is situated on 21.28 acres at the northwest corner of St. Albert Road and Villeneuve Road in St. Albert, Alberta. It is anchored by a 197,000 square foot Wal-Mart Supercentre. Other major tenants include Mark's Work Wearhouse, Alberta Treasury Branch, Canadian Western Bank, Sleep Country, Tim Hortons, and Warehouse One. An additional 18,000 square feet of future development potential remain on undeveloped lands. Shadow anchors include a 49,000 square foot Save on Foods store and a 43,000 square foot Totem Building Supplies.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	197,236	79.00%	44.29%
Mark's Work Wearhouse	14,200	5.69%	11.40%
Alberta Treasury Branch	6,617	2.65%	8.85%
Canadian Western Bank	5,513	2.21%	7.78%

Saskatchewan

Regina East SmartCentre, 2150 Prince of Wales Drive, Regina, Saskatchewan

Regina East SmartCentre is a 371,000 square foot shopping centre that is situated on 31.33 acres at the intersection of Quance Street and Prince of Wales Drive in Regina, Saskatchewan. A 129,000 square foot Wal-Mart store, a 54,000 square foot HomeSense, a 40,000 square foot London Drugs, and a 33,000 square foot Home Outfitters anchor the centre. Other national tenants include Best Buy, Michaels, Pier 1 Imports, Penningtons, Your Dollar Store, Bowring, Reitmans, East Side Mario's, The Shoe Company, Hallmark, and Warehouse One. The centre can accommodate a 60,000 square foot expansion of the Wal-Mart store. Shadow anchors include a 130,000 square foot Real Canadian Superstore as well as an 89,000 square foot Rona Home and Garden.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	129,094	34.82%	19.09%
HomeSense	53,864	14.53%	15.61%
London Drugs	39,831	10.74%	13.93%
Home Outfitters	33,171	8.95%	10.94%
Best Buy	25,668	6.92%	7.69%
Michaels	23,597	6.36%	6.60%

Regina North SmartCentre, 3939 Rochdale Boulevard, Regina, Saskatchewan

Regina North SmartCentre is a 227,000 square foot shopping centre that is situated on 23.21 acres at the southeast corner of Rochdale Boulevard and Pasqua Road in Regina, Saskatchewan. The centre is anchored by a 128,000 square foot Wal-Mart store and a 43,000 square foot IGA. An additional 3,000 square feet of future development potential remain on the site. Other national tenants include Mark’s Work Wearhouse, TD Canada Trust, Bulk Barn, Reitmans and Warehouse One. The site can accommodate a 60,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	127,862	56.45%	31.84%
Sobeys o/a IGA	42,636	18.82%	24.81%
Mark's Work Wearhouse	12,522	5.53%	9.40%
TD Canada Trust	8,041	3.55%	7.70%

Saskatoon South SmartCentre, 3035 Clarence Avenue S, Saskatoon, Saskatchewan

Saskatoon South SmartCentre is a 337,000 square foot shopping centre that is situated on approximately 40.89 acres at the northeast corner of Clarence Avenue South and Melville Street in Saskatoon, Saskatchewan. The centre is anchored by a 158,000 square foot Wal-Mart store as well as being shadow-anchored by a 98,000 square foot Home Depot store. Other national tenants include HomeSense, The Brick, Ashley Furniture, Golf Town, Mark's Work Wearhouse, Petland, Dollarama, Adidas, Tony Roma's, Sleep Country, La Senza, Reitmans, Bank of Nova Scotia and TD Canada Trust. The site has 1,000 square feet of developable area remaining.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	158,209	46.93%	35.37%
HomeSense	25,942	7.69%	8.38%
Brick, The	25,111	7.45%	7.65%
Ashley Furniture Homestore	22,627	6.71%	7.31%

Manitoba

Kenaston Common SmartCentre, 2255-2355 McGillivray Boulevard, Winnipeg, Manitoba

Kenaston Common SmartCentre is a 220,000 square foot shopping centre that is situated on 30.75 acres at the intersection of Kenaston Boulevard and McGillivray Boulevard in Winnipeg, Manitoba. A 99,000 square foot Rona anchors the site. Other national tenants include Indigo Books, Golf Town, Petland, Nygard, Moxie's Classic Grill, HSBC Bank Canada, Royal Bank of Canada and Henry's Photography. An additional 67,000 square feet of development potential remains.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Rona	98,570	44.74%	28.50%
Indigo Books & Music	18,541	8.42%	9.52%
Golf Town	18,474	8.38%	8.33%
Petland	14,841	6.74%	7.21%

Winnipeg Southwest SmartCentre, 1665 Kenaston Boulevard, Winnipeg, Manitoba

Winnipeg Southwest SmartCentre is a 491,000 square foot shopping centre that is situated on 49.91 acres at the intersection of Kenaston Boulevard and McGillivray Boulevard in Winnipeg, Manitoba. A 129,000 square foot Wal-Mart store, an 84,000 square foot Safeway, and a 39,000 square foot Home Outfitters anchor the centre along with a 95,000 square foot Home Depot shadow anchor. Other national tenants include HomeSense, Urban Planet, Mark's Work Wearhouse, Urban Barn, Addition-Elle, Tommy Hilfiger, Bowring, Danier Leather, Reitmans, Mexx, Reebok, Tim Hortons, Roots, Ricki's, Le Chateau, and Bank of Nova Scotia. An additional 6,000 square feet of development potential remain and a 40,000 square foot expansion of the Wal-Mart store can be accommodated on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	129,298	26.33%	14.25%
Safeway	83,845	17.07%	10.27%
Home Outfitters	39,429	8.03%	7.92%
HomeSense	25,997	5.29%	5.23%

Winnipeg West SmartCentre, 3655 Portage Avenue, Winnipeg, Manitoba

Winnipeg West SmartCentre is a 288,000 square foot shopping centre that is situated on 33.37 acres on the northeast corner of Portage Avenue and Knox Boulevard in Winnipeg, Manitoba. The centre is anchored by a 128,000 square foot Wal-Mart store and a 43,000 square foot IGA. A 75,000 square foot Canadian Tire store shadow-anchors the centre. Other national tenants include Winners, Shoppers Drug Mart, La Senza, Mark's Work Wearhouse, Addition-Elle, Sport Mart, Reitmans, Sleep Country and Hallmark. An additional 62,000 square feet of future development potential remain on undeveloped lands and a 65,000 square foot expansion of the Wal-Mart store can be accommodated on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,104	44.53%	29.30%
Sobeys o/a IGA	43,042	14.96%	17.45%
Winners	27,927	9.71%	9.21%
Shoppers Drug Mart	10,230	3.56%	4.64%

Ontario

400 & 7 Power Centre, 101 Northview Boulevard, Vaughan, Ontario

400 & 7 Power Centre is a 238,000 square foot shopping centre that is situated on Highway 400 and Highway 7 in Vaughan, Ontario. A 111,000 square foot The Brick anchors the site and a 100,000 square foot Home Depot shadow anchors the site. Other major tenants include Staples, Value Village, GoodLife Fitness, TigerDirect, Brands Gone Wild, West 49, XS Cargo and Frame Express Gallery.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Brick, The	110,620	46.48%	39.59%
Staples	27,444	11.53%	14.93%
Value Village Stores	25,894	10.88%	16.41%
GoodLife Fitness Clubs	19,958	8.39%	9.44%

401 & Weston Power Centre, 2625A Weston Road, Toronto, Ontario

401 & Weston Power Centre is a 387,000 square foot shopping centre that is situated on Highway 401 and Weston Road in Toronto, Ontario. A 59,000 square foot Canadian Tire store, a 40,000 square foot The Brick, a 37,000

square foot Home Outfitters, and a 31,000 square foot Future Shop anchor the site along with a 180,000 square foot Real Canadian Superstore as a shadow anchor. Other national tenants include Staples, LCBO, Reebok, Mark's Work Wearhouse, Dollar Giant, Fitness Source, Laura's Shoppe, Penningtons, Bulk Barn, CIBC, Reitmans, The Beer Store and Sleep Country. Calloway owns a 44.4% interest in this property.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Canadian Tire	58,818	15.20%	10.56%
Brick, The	40,001	10.34%	9.47%
Home Outfitters	37,044	9.57%	9.44%
Future Shop	31,461	8.13%	8.27%

Ancaster SmartCentre, 1051 Garner Road W, Ancaster, Ontario

Ancaster SmartCentre is a 236,000 square foot shopping centre that is situated on 31.3 acres at the northwest corner of Highway 53 and Shaver Road in the City of Hamilton, Ontario. The centre is anchored by a 164,000 square foot Wal-Mart Supercentre and shadow-anchored by a 51,000 square foot Canadian Tire store. Other national tenants include Future Shop, Bouclair, Dollar Giant, The Source, Payless Shoesource, Pet Valu and Starbucks. An additional 24,000 square feet remain to be developed. The site can accommodate an expansion of the Canadian Tire store by approximately 22,000 square feet.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	163,794	69.46%	42.62%
Future Shop	25,605	10.86%	16.85%
Bouclair	9,984	4.23%	7.34%
Dollar Giant Nothing Over A Dollar	8,497	3.60%	6.34%

Aurora North SmartCentre, Aurora, Ontario

Aurora North SmartCentre is a 479,000 square foot shopping centre that is situated on approximately 72.43 acres at the northwest corner of Highway 404 and Wellington Street East in Aurora, Ontario. A 213,000 square foot Wal-Mart Supercentre and a 98,000 square foot Rona anchor the site. Other national tenants include Best Buy, Golf Town, Dollarama, The Keg, La Senza, Boston Pizza, Reitmans, Fairweather, Bowring, Royal Bank of Canada, and TD Canada Trust, International Clothiers, Ardene, The Sony Store, and Hallmark. An additional 34,000 square feet of development potential remain on the site. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	212,973	44.51%	33.71%
Rona	97,777	20.43%	17.14%
Best Buy	25,750	5.38%	6.23%
Golf Town	18,708	3.91%	4.52%

Aurora SmartCentre, 14760 Yonge Street, Aurora, Ontario

Aurora SmartCentre is a 50,000 square foot shopping centre that is situated at the southwest corner of Yonge Street and Murray Drive in Aurora, Ontario. National tenants include Winners, Bank of Nova Scotia, Blockbuster Video and The Great Canadian Bagel. A 64,000 square foot Canadian Tire store shadow-anchors the centre.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Winners	27,492	54.48%	39.22%
Bank of Nova Scotia	6,503	12.89%	21.87%
Blockbuster Video	5,171	10.25%	13.44%
Aqua Beauty Emporium	4,441	8.80%	8.15%

Barrie North SmartCentre, 450 Bayfield Street, Barrie, Ontario

Barrie North SmartCentre is a 202,000 square foot shopping centre that is situated on 19.86 acres at the northwest corner of Livingstone Street West and Bayfield Street North in Barrie, Ontario. The centre is anchored by a 129,000 square foot Wal-Mart store and shadow-anchored by an 81,000 square foot Zehrs. Other national tenants include Old Navy, Bonnie Togs, Addition-Elle, McDonalds, Reitmans, Kelsey's, Super Pet, Chatters Salon and Payless Shoesource. The site can accommodate a 40,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	128,548	63.73%	37.37%
Old Navy	22,030	10.92%	15.23%
Bonnie Togs	10,017	4.97%	8.39%
Addition-Elle	9,046	4.48%	7.28%

Barrie South SmartCentre, 35 Molson Park Drive, Barrie, Ontario

Barrie South SmartCentre is a 370,000 square foot shopping centre that is situated on 32.77 acres at Highway 400 and Molson Park Drive in Barrie, Ontario. A 126,000 square foot Wal-Mart store and a 59,000 square foot Sobeys anchor the centre. Other national tenants include Winners, La-Z-Boy Furniture, Michaels, Petsmart, Mark's Work Wearhouse, Buck or Two, Stitches, The Shoe Company, Boston Pizza, West Marine, Kelsey's, Bank of Nova Scotia, Hallmark, Bulk Barn and CIBC. A 40,000 square foot expansion of the Wal-Mart store can be accommodated.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	126,165	34.14%	21.15%
Sobeys	58,562	15.85%	16.03%
Winners	31,516	8.53%	7.63%
La-Z-Boy Furniture Gallery	28,032	7.58%	6.30%

Bolton SmartCentre, 150 McEwan Drive E, Bolton, Ontario

Bolton SmartCentre is a 235,000 square foot shopping centre that is situated on 18.87 acres at Highway 50 (Queen Street) and McEwan Drive East in Bolton, Ontario. A 162,000 square foot Wal-Mart Supercentre anchors this site and a 160,000 square foot Real Canadian Superstore store shadow-anchors it. Other national tenants include LCBO, Mark's Work Wearhouse, Your Dollar Store With More, Reitmans, Swiss Chalet, Kelsey's, Penningtons, Ricki's, Hallmark, Payless Shoesource and The Source.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	161,864	68.75%	41.73%
LCBO	8,542	3.63%	6.88%
Mark's Work Wearhouse	7,956	3.38%	6.48%
Your Dollar Store With More	6,069	2.58%	3.82%

Bramport SmartCentre, 9940-9980 Airport Road, Brampton, Ontario

Bramport SmartCentre is a 115,000 square foot shopping centre that is situated on approximately 5.78 acres at the intersection of Bovaird Drive and Airport Road in Brampton, Ontario. The site is anchored by a 46,000 square foot LA Fitness and shadow-anchored by a 155,000 square foot Loblaws. National tenants include LCBO, Dollarama, CIBC, Bank of Montreal, Swiss Chalet, Bulk Barn, KFC, Wendy's and Tim Hortons. The site has 167,000 square feet of remaining developable area.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
LA Fitness	45,674	39.61%	31.23%
LCBO	10,575	9.17%	7.45%
Dollarama	9,003	7.81%	5.88%
CIBC	6,343	5.50%	9.06%

Brampton East SmartCentre (I), 2870 Queen Street E, Brampton, Ontario

Brampton East SmartCentre (I) is a 36,000 square foot shopping centre that is situated at the northwest corner of Highway 7 and Airport Road in Brampton, Ontario. Major tenants include The Beer Store, Kelsey's, Bombay Bhel, The Source, Aria Day Spa, EB Games, and Telus Mobility. A 127,000 square foot Rona store and a 91,000 square foot Canadian Tire store on lands adjacent to the site shadow-anchor the shopping centre.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Beer Store, The	5,693	15.91%	14.40%
Kelsey's	5,407	15.11%	16.01%
Bombay Bhel	3,585	10.02%	9.77%
Source, The	3,070	8.58%	7.64%

Brampton East SmartCentre (II), 30 Coventry Road, Brampton, Ontario

Brampton East SmartCentre (II) is a 358,000 square foot shopping centre that is situated on 32.74 acres at the intersection of Queen Street (Highway 7) and Airport Road in Brampton, Ontario. A 199,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include The Brick, Winners, Staples, Mark's Work Wearhouse, Bonnie Togs, Sleep Country, Alterna Savings, Burger King, Everything for a Dollar, Mr. Greek Express, and Payless Shoesource.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	198,564	55.40%	30.56%
Brick, The	45,046	12.57%	17.13%
Winners	28,500	7.95%	8.39%
Staples	27,469	7.66%	9.77%

Brampton North SmartCentre, 55 Mountainash Road, Brampton, Ontario

Brampton North SmartCentre is a 42,000 square foot shopping centre that is situated at the northeast corner of Bovaird Road and Mountainash Road in Brampton, Ontario. The centre is shadow-anchored by a 62,000 square foot Fortinos. Major tenants include Shoppers Drug Mart, Synergy Performing Arts Academy, Brampton Urgent Care Center, White Lightning Fitness, Brampton Public Library, Regional Municipality of Peel and Telus Mobility. An additional 17,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Shoppers Drug Mart	10,244	24.66%	24.46%
Synergy Performing Arts Academy	4,128	9.94%	9.04%
Brampton Urgent Care Center	3,386	8.15%	7.19%
White Lightning Fitness	3,055	7.36%	7.29%

British Colonial Building, 8 Wellington Street E, Toronto, Ontario

British Colonial Building is a 17,000 square foot office retail property prominently that is situated at the intersection of Wellington Street East and Yonge Street in downtown Toronto, Ontario. The property is a heritage building, originally constructed in 1875 and most recently renovated in 1997. Tenants include Navigator Limited, Irish Embassy Pubs, Solaris Capital Advisors and Jatheon Technologies.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Navigator Limited	9,004	51.66%	44.72%
Irish Embassy Pub	3,844	22.06%	32.11%
Solaris Capital Advisors	3,340	19.16%	20.18%
Jatheon Technologies	1,240	7.11%	3.00%

Brockville SmartCentre, 2057 Parkedale Avenue W, Brockville, Ontario

Brockville SmartCentre is a 109,000 square foot shopping centre that is situated on Parkedale Avenue West and North Augusta Road in Brockville, Ontario. The centre is shadow-anchored by a 190,000 square foot Wal-Mart Supercentre, a 105,000 square foot Real Canadian Superstore and an 85,000 square foot Home Depot. Other national tenants include Winners, Future Shop, Mark’s Work Wearhouse, Sports Experts, Dollar Giant, Boston Pizza, La Senza, Reitmans, Tip Top Tailors, Hallmark and Payless Shoesource. An additional 27,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Winners	22,990	21.17%	17.78%
Future Shop	20,021	18.43%	12.51%
Mark's Work Wearhouse	10,000	9.21%	10.11%
Sports Experts	9,950	9.16%	8.88%

Burlington (Appleby) SmartCentre, Burlington, Ontario

Burlington (Appleby) SmartCentre is a development property that is situated at the intersection of Appleby Line and Dundas Street in Burlington, Ontario. The site has been zoned for commercial uses and has 163,000 square feet of developable area. Approximately 149,000 square feet has been pre-leased.

Burlington North SmartCentre, 4515 Dundas Street, Burlington, Ontario

Burlington North SmartCentre is a 176,000 square foot shopping centre that is situated on 25.83 acres at Appleby Line and Highway 5 in Burlington, Ontario. The centre is anchored by a 130,000 square foot Wal-Mart store. National tenants include Reitmans, Boston Pizza, Moores, Bank of Nova Scotia, Kelsey's, Penningtons, Sleep Country, and Payless Shoesource. Including an estimated expansion of 34,000 square feet for the Wal-Mart store, total developable area is approximately 52,000 square feet. In early 2010, the expansion of the Wal-Mart store was completed and the new supercentre is in excess of 160,000 square feet.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	129,663	73.47%	55.35%
Reitmans	6,002	3.40%	4.59%
Boston Pizza	5,789	3.28%	3.61%
Moores	5,549	3.14%	4.95%

Burlington Staples SmartCentre, 3050 Davidson Court, Burlington, Ontario

Burlington Staples SmartCentre is a 134,000 square foot shopping centre that is situated on 23 acres at the corner of Guelph Line and Davidson Court, directly off the QEW interchange in Burlington, Ontario. Major tenants include Future Shop, Staples, Bad Boy Furniture, Lee Valley Tools, Sears Mattresses and Appliances, Amish Furniture Outlet, 100 Mile Home and Montana's Cookhouse. A 133,000 square foot Home Depot shadow-anchors the centre.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Future Shop	30,323	22.59%	21.96%
Staples	25,519	19.01%	17.87%
Bad Boy Furniture	20,074	14.95%	14.54%
Lee Valley Tools	18,263	13.60%	12.34%

Cambridge SmartCentre (I), 22 Pinebush Road, Cambridge, Ontario

Cambridge SmartCentre (I) is a 627,000 square foot shopping centre that is situated at the intersection of Highway 401 and Hespeler Road (Highway 24) in Cambridge, Ontario. A 156,000 square foot Wal-Mart Supercentre and a 125,000 square foot Reno Depot anchor the site. Other national tenants include Staples, Michaels, Future Shop, Old Navy, Mark's Work Wearhouse, Bouclair, Urban Planet, Chuck E. Cheese's, La Vie En Rose, Tommy Hilfiger, Bonnie Togs, The Keg, The Bombay Company, Tip Top Tailors, Smart Set, Addition-Elle, Le Chateau, and Reitmans. An additional 63,000 square feet of development potential remain on the site. Immediately adjacent to the site is a 40,000 square foot Canadian Tire store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	156,268	24.93%	11.14%
Reno Depot	125,077	19.95%	18.41%
Staples	25,645	4.09%	4.25%
Michaels	23,991	3.83%	4.12%
Future Shop	23,731	3.79%	4.51%
Old Navy	22,190	3.54%	4.22%

Cambridge SmartCentre (II), 55 Pinebush Road, Cambridge, Ontario

Cambridge SmartCentre (II) is a 32,000 square foot shopping centre that is situated on 4.73 acres at the intersection of Hespeler Road and Pinebush Road (south side) in Cambridge, Ontario. Directly across Pinebush Road, on the north side, is Calloway’s 627,000 square foot Cambridge SmartCentre (I). Shadow anchors include a 95,000 square foot Home Depot and major tenants include 2001 Audio Video, Henry's Photography, The Source, Lick's Homeburgers, Friday Grill, Sally Beauty Supply, Telus Mobility, EB Games, and Rogers Wireless. An additional 16,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
2001 Audio Video	4,503	14.04%	16.85%
Henry's	3,601	11.23%	14.36%
Source, The	2,266	7.07%	10.69%
Lick’s Homeburgers	1,914	5.97%	8.10%

Carleton Place SmartCentre, 450 McNeely Avenue, Carleton Place, Ontario

Carleton Place SmartCentre is a 149,000 square foot shopping centre that is situated at the intersection of Highway 7 and McNeely Avenue in Carleton Place, Ontario. This centre is anchored by a 116,000 square foot Wal-Mart Supercentre. Other national tenants include Dollarama, Mark's Work Wearhouse, Bulk Barn, EasyHome, Hallmark and EB Games. The site has 133,000 square feet of developable area remaining.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	115,811	77.93%	72.09%
Dollarama	9,839	6.62%	6.15%
Mark's Work Wearhouse	8,008	5.39%	7.41%
Bulk Barn	5,116	3.44%	4.61%

Chatham SmartCentre, 801 St. Clair Street, Chatham, Ontario

Chatham SmartCentre is a 280,000 square foot shopping centre that is situated at the intersection of St. Clair Street and Pioneer Line. A 202,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include Winners, Mark's Work Wearhouse, Dollarama, Bouclair, Bank of Montreal, Payless Shoesource, and The Source. An additional 26,000 square feet of development potential remain on the site. A 125,000 square foot Zehr's shadow-anchors the site. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	202,106	72.26%	53.71%
Winners	22,000	7.87%	7.17%
Mark's Work Wearhouse	15,991	5.72%	11.07%
Dollarama	10,600	3.79%	3.67%

Cobourg SmartCentre, 73 Strathy Road, Cobourg, Ontario

Cobourg SmartCentre is a 161,000 square foot shopping centre that is situated at Highway 2 and Strathy Road in Cobourg, Ontario. A 143,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include Swiss Chalet, Everything for a Dollar, East Side Mario's and EB Games. An 85,000 square foot Home Depot and an 80,000 square foot Loblaws shadow-anchor the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	142,634	88.84%	67.21%
Swiss Chalet	5,754	3.58%	10.92%
Everything for a Dollar	4,042	2.52%	6.01%
East Side Mario's	3,986	2.48%	8.55%

Dunnville SmartCentre, Dunnville, Ontario

Dunnville SmartCentre is a development property that is situated on approximately 15.64 acres at Taylor Road between the intersection of Main Street and Forkes Road in Dunnville, Ontario. The site has 105,000 square feet of developable area. The site has been rezoned for commercial use.

Etobicoke (Index) SmartCentre, Etobicoke, Ontario

Etobicoke (Index) SmartCentre is a development property that is situated at the intersection of Index Road and Queen Street in Etobicoke, Ontario. The site has 171,000 square feet of developable area.

Etobicoke SmartCentre, 165 North Queen Street, Etobicoke, Ontario

Etobicoke SmartCentre is a 294,000 square foot shopping centre that is situated at North Queen Street and The Queensway. A 132,000 square foot Wal-Mart store, a 35,000 square foot Best Buy and a 33,000 square foot Sport Chek anchor the site. National tenants include Old Navy, Mark's Work Wearhouse, La Senza, Sport Mart, Addition-Elle Reitmans, The Shoe Company, Bowring, Hallmark, Smart Set, Ricki's, Payless Shoesource, and The Source. A 135,000 square foot Home Depot operates on lands adjacent to the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	131,730	44.83%	26.43%
Best Buy	35,327	12.02%	16.68%
Sport Chek	32,646	11.11%	12.71%
Old Navy	15,340	5.22%	6.61%

Fort Erie SmartCentre, Fort Erie, Ontario

Fort Erie SmartCentre is a development property that is situated on approximately 1.68 acres at the intersection of Garrison Road and Thompson Road in Fort Erie, Ontario. The site has been zoned for commercial uses and has 36,000 square feet of developable area. Both Wal-Mart and No-Frills (Loblaws) are currently operating on lands immediately adjacent to the site. The Wal-Mart store site can accommodate 30,000 square feet of expansion.

Halton Hills SmartCentre, Halton Hills, Ontario

Halton Hills SmartCentre is a development property that is situated on 65.48 acres at the intersection of Highway 401 and Trafalgar Road in Halton Hills, Ontario. The site has 466,000 square feet of developable area.

Hanover SmartCentre, 1100 10th Street, RR 1, Hanover, Ontario

Hanover SmartCentre is a 20,000 square foot shopping centre that is situated at Highway 4 and Highway 28 in Hanover, Ontario. A 78,000 square foot Wal-Mart store and a 97,000 square foot Loblaws are currently operating on adjacent lands. Tenants include Mark's Work Wearhouse, Crabby Joe's, EasyHome, and First Choice Haircutters. An additional 6,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Mark's Work Wearhouse	10,122	50.93%	51.83%
Crabby Joe’s	4,438	22.33%	21.75%
EasyHome	4,016	20.21%	19.38%
First Choice Haircutters	1,298	6.53%	7.05%

Hopedale Mall, 1515 Rebecca Street, Oakville, Ontario

Hopedale Mall is a 309,000 square foot enclosed shopping mall that is situated on 21.13 acres of land on the northeast corner of 3rd Line and Rebecca Street in Oakville, Ontario. The mall is anchored by a 110,000 square foot Zellers and a 41,000 square foot Metro store. Other national tenants include Shoppers Drug Mart, LCBO, CIBC, TD Canada Trust, Buck or Two, The Beer Store, Tim Hortons, Payless Shoesource, Ardene, Pet Valu, Carlton Cards, and The Source.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Zellers	109,700	35.49%	18.17%
Metro	41,289	13.36%	14.42%
Exclusively Women's Fitness Centre	15,089	4.88%	5.83%
Hopedale Bowl	13,030	4.22%	1.44%

Huntsville SmartCentre, 111 Howland Drive, Huntsville, Ontario

Huntsville SmartCentre is a 120,000 square foot shopping centre that is situated at the intersection of Highway 11 and Highway 60. An 85,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include Dollar Giant, Mark’s Work Wearhouse, Kelsey’s, East Side Mario’s, and Bulk Barn. An additional 9,000 square feet of development potential remain on the site. Adjacent to the site is a 69,000 square foot Your Independent Grocer (a Loblaws-owned grocery chain).

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	84,861	70.57%	52.36%
Dollar Giant Nothing Over A Dollar	9,246	7.69%	9.63%
Mark's Work Wearhouse	8,035	6.68%	9.86%
Kelsey’s	5,047	4.20%	8.03%

Innisfil SmartCentre, Innisfil, Ontario

Innisfil SmartCentre is a development property that is situated on approximately 86.6 acres at Highway 400 and Innisfil Beach Road in Innisfil, Ontario. The site has been zoned for commercial uses and has 357,000 square feet of developable area. Calloway owns a 50% interest in this property.

Kapuskasing SmartCentre, 350 Government Road, Kapuskasing, Ontario

Kapuskasing SmartCentre is a 66,000 square foot shopping centre that is situated at Highway 11 and Caron Street in Kapuskasing, Ontario. A 61,000 square foot Wal-Mart store anchors the site. An additional 6,000 square feet of future development potential remain on undeveloped lands. The site can accommodate a 35,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	61,087	93.13%	87.15%
Reitmans	4,505	6.87%	12.85%

Kenora Wal-Mart Centre, 1305 Miikana Way, Kenora, Ontario

Kenora Wal-Mart Centre is an 81,000 square foot centre that is situated on Miikana Way and Highway 17 in Kenora, Ontario. An 81,000 square foot Wal-Mart store is located on the site. The site can accommodate a 45,000 square foot Wal-Mart expansion. A 58,000 square foot Canadian Tire store operates on lands adjacent to the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	80,881	100.00%	100.00%

Laurentian Power Centre, 245 Strasburg Road, Kitchener, Ontario

Laurentian Power Centre is an 186,000 square foot centre that is situated on Strasburg Road and Ottawa Street in Kitchener, Ontario. A 117,000 square foot Zellers and a 34,000 square foot Home Outfitters anchor the centre. Other tenants include Staples, CIBC, Fairway Dental Centre and EB Games. Shadow anchors include a 106,000 square foot Rona and a 115,000 square foot Zehrs located on adjoining lands.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Zellers	116,770	62.78%	45.85%
Home Outfitters	34,023	18.29%	23.46%
Staples	25,727	13.83%	17.80%
CIBC	5,340	2.87%	6.65%

Leaside SmartCentre, 147 Laird Drive, Toronto, Ontario

Leaside SmartCentre is a 132,000 square foot centre that is situated on Laird Drive and Eglinton Avenue East in Toronto, Ontario. A 33,000 square foot Sport Chek and a 30,000 square foot Best Buy anchor the centre. Other national tenants include Sobeys, LCBO, Urban Barn, The Sony Store, La Senza, HMV, and Hallmark. A 131,000 square foot Home Depot shadow-anchors the site. An additional 118,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Sport Chek	32,705	24.83%	20.00%
Best Buy	30,410	23.09%	21.94%
Sobeys	28,420	21.58%	24.33%
LCBO	10,658	8.09%	7.43%

London East Argyle Mall, 1925 Dundas Street, London, Ontario

London East Argyle Mall is a 353,000 square foot shopping centre that is situated on the southeast corner of Clarke Road and Dundas Street in London, Ontario. Formerly an enclosed shopping centre, the centre has been partially converted into new format retail space anchored by a 129,000 square foot Wal-Mart store and a 33,000 square foot No Frills (Loblaws). Other national tenants include Winners, Staples, Sport Chek, GoodLife Fitness, LCBO, Mark's Work Wearhouse, Dollar Giant, East Side Mario's, Moores, Sleep Country, Casey's Bar and Grill, Burger King, CIBC, Reitmans, Payless Shoesource, Hallmark and The Source. An additional 79,000 square feet of future development potential remain.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,638	36.39%	25.31%
Loblaws o/a No Frills	33,463	9.47%	9.97%
Winners	28,639	8.10%	7.52%
Staples	26,810	7.58%	8.99%

London North SmartCentre, 1280 Fanshawe Park Road W, London, Ontario

London North SmartCentre is a 472,000 square foot shopping centre that is situated at the intersection of Hyde Park Road and Fanshawe Park Road in London, Ontario. A 202,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include Future Shop, Winners, Sport Chek, HomeSense, Old Navy, Golf Town, Dollarama, Globo Shoes, La Senza, Bonnie Togs, Liz Claiborne, Le Chateau, Smart Set, Ricki's, Fairweather, Roots and Bulk Barn. An additional 54,000 square feet of development potential remain on the site. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	202,365	42.87%	16.34%
Future Shop	30,564	6.47%	9.09%
Winners	30,009	6.36%	7.61%
Sport Chek	28,229	5.98%	7.90%
HomeSense	27,446	5.81%	8.64%

London Northwest SmartCentre, 1335 Fanshawe Park Road W, London, Ontario

London Northwest SmartCentre is a 35,000 square foot shopping centre that is situated on the northeast corner of Hyde Park Road and Fanshawe Park Road in London, Ontario. National tenants include Boston Pizza, Bank of Montreal, Montana's Cookhouse, Kelsey's, TD Canada Trust, Royal Bank of Canada, and Tim Hortons. The site has an additional 338,000 square feet of developable area remaining. This property is located across from the London North SmartCentre which is 50% owned by Calloway.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Boston Pizza	6,555	18.56%	10.40%
Bank of Montreal	5,545	15.70%	19.43%
Montana's Cookhouse	5,181	14.67%	13.61%
Kelsey’s	5,000	14.16%	13.14%

Markham Woodside SmartCentre (I), 3155 Highway 7 E, Markham, Ontario

Markham Woodside SmartCentre (I) is a 326,000 square foot shopping centre that is situated at the intersection of Woodbine Avenue and Highway 7 East in Markham, Ontario. A 130,000 square foot Home Depot anchors the centre. Other national tenants include Winners, Staples, Chapters, Petstuff, Michaels, Pier 1 Imports, Urban Planet, Moores, Town Shoes, Roots, Nevada Bob’s Golf, Kelsey’s and Danier Leather. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Home Depot	130,393	40.05%	36.71%
Winners	30,376	9.33%	8.43%
Staples	13,838	8.50%	9.52%
Chapters	13,183	8.10%	7.84%
Petstuff	11,226	6.90%	7.61%
Michaels	10,032	6.16%	5.33%

Markham Woodside SmartCentre (II), 3075 Highway 7 E, Markham, Ontario

Markham Woodside SmartCentre (II) is a 33,000 square foot shopping centre that is situated at the intersection of Woodbine Avenue and Highway 7 East in Markham, Ontario. The centre is adjacent to Markham Woodside SmartCentre (I). Tenants include La-Z-Boy Furniture and LCBO. A 38,000 square foot Longo’s location is operating on lands immediately adjacent to the site. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
La-Z-Boy Furniture Gallery	19,829	59.49%	50.94%
LCBO	13,500	40.51%	49.06%

Midland SmartCentre, 16845 Highway 12, Midland, Ontario

Midland SmartCentre is a 36,000 square foot shopping centre that is situated on approximately 12.70 acres at Highway 12 and King Street in Midland, Ontario. National tenants include Mark's Work Wearhouse, Dollar Giant, Boston Pizza, Payless Shoesource, EB Games and First Choice Haircutters. An additional 8,000 square feet of development potential remain on the site. The property is shadow-anchored by a 156,000 square foot Wal-Mart Supercentre and an 80,000 square foot Home Depot.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Mark's Work Wearhouse	10,008	28.12%	30.62%
Dollar Giant Nothing Over A Dollar	9,341	26.24%	27.73%
Boston Pizza	5,789	16.26%	9.90%
Payless Shoesource	2,609	7.33%	9.39%

Milton Wal-Mart Centre, 1280 Steeles Avenue East, Milton, Ontario

Milton Wal-Mart Centre is a 129,000 square foot shopping centre that is situated at the intersection of Highway 401 & James Snow Parkway in Milton, Ontario. A 185,000 square foot Wal-Mart Supercentre and a 78,000 square foot Canadian Tire store anchor the site. Other national tenants include Staples, Absolute Dollar, Mark's Work Wearhouse, Bouclair, La Senza, Royal Bank of Canada, Reitmans, Northern Reflections, Montana's Cookhouse, Bonnie Togs, Tip Top Tailors, Penningtons, Ricki's, Cleo, Super Pet, and The Source. An additional 106,000 square feet of development potential remain on the site. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Staples	14,997	11.63%	7.10%
Absolute Dollar	11,437	8.87%	7.65%
Mark's Work Wearhouse	10,100	7.83%	7.72%
Bouclair	8,161	6.33%	4.94%

Mississauga (Dixie and Dundas) Centre, 3105 Dixie Road, Mississauga, Ontario

Mississauga (Dixie and Dundas) Centre is a 207,000 square foot development property that is situated on 16.35 acres at Dixie Road and Dundas Road in Mississauga, Ontario. A 183,000 Wal-Mart Supercentre is expected to open in late 2011.

Mississauga (Erin Mills) SmartCentre, 2150 Burnhamthorpe Road W, Mississauga, Ontario

Mississauga (Erin Mills) SmartCentre is a 276,000 square foot shopping centre that is situated on approximately 23.95 acres at Burnhamthorpe Road W and Erin Mills Parkway in Mississauga, Ontario. A 129,000 square foot Wal-Mart Supercentre and a 43,000 square foot No Frills anchor the site. Other national tenants include GoodLife Fitness, Shoppers Drug Mart, Rogers Video, Bank of Montreal, TD Canada Trust, Dollar Plus, and Payless Shoesource. An additional 14,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	129,186	46.80%	38.69%
Loblaws o/a No Frills	42,787	15.50%	13.05%
GoodLife Fitness Clubs	23,440	8.49%	6.02%
Shoppers Drug Mart	14,620	5.30%	7.20%

Napanee SmartCentre, 89 Jim Kimmett Boulevard, Napanee, Ontario

Napanee SmartCentre is a 109,000 square foot shopping centre that is situated on 22.30 acres at the intersection of Jim Kimmett Boulevard and McPherson Drive in Napanee, Ontario. The centre is anchored by an 89,000 square foot Wal-Mart store. Other national tenants include Dollarama, Mark's Work Wearhouse, EasyHome, and The Source. An additional 14,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	88,649	81.04%	75.98%
Dollarama	8,365	7.65%	7.74%
Mark’s Work Wearhouse	6,005	5.49%	7.87%
EasyHome	3,938	3.60%	4.86%

Orleans SmartCentre, 3900 Innes Road, R.R. #2, Orleans, Ontario

Orleans SmartCentre is a 381,000 square foot shopping centre that is situated on approximately 103.87 acres at the southwest corner of Innes Road and Mer Bleue Road in Orleans, Ontario. The centre is anchored by a 200,000 square foot Wal-Mart Supercentre as well as being shadow-anchored by a 117,000 square foot Canadian Tire store. Other national tenants include Home Outfitters, Future Shop, Shoppers Drug Mart, Petsmart, Dollarama, Bouclair, Boston Pizza, Bank of Nova Scotia, Ricki’s, Ardene, La Senza, TD Canada Trust and Bonnie Togs. The site has 1,000 square feet of developable area remaining.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	200,253	52.50%	27.80%
Home Outfitters	32,192	8.44%	10.49%
Future Shop	25,575	6.71%	8.06%
Shoppers Drug Mart	17,260	4.53%	8.34%

Oshawa North SmartCentre, 1471 Harmony Road North, Oshawa, Ontario

Oshawa North SmartCentre is currently a 423,000 square foot shopping centre that is situated at the intersection of Taunton Road East and Harmony Road North in Oshawa, Ontario. A 128,000 square foot Wal-Mart Supercentre and a 118,000 square foot Loblaws store anchor the site. Other national tenants include Future Shop, Michaels, Mark's Work Wearhouse, Pier 1 Imports, LCBO, Dollar Giant, Sport Mart, Globo Shoes, Addition-Elle, Bowring, Swiss Chalet, Tim Hortons, Reitmans, Stokes, Bank of Nova Scotia, East Side Mario’s, Montana’s Cookhouse and La Vie

En Rose. An additional 154,000 square feet of development potential remain on the site. In early 2010, the Wal-Mart Supercentre was successfully relocated to a new 192,000 square foot building on the same property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	127,941	30.22%	16.68%
Loblaws	118,331	27.95%	26.60%
Future Shop	25,731	6.08%	6.49%
Michaels	24,124	5.70%	5.71%

Oshawa South SmartCentre, 680 Laval Drive, Oshawa, Ontario

Oshawa South SmartCentre is a 449,000 square foot shopping centre that is situated on approximately 47.94 acres at the north corner of Stevenson Road and Laval Drive in Oshawa, Ontario. A 221,000 square foot Wal-Mart Supercentre and a 142,000 square foot Lowe's anchor the site. Other national tenants include Urban Barn, La Senza, Moores, Swiss Chalet, Reitmans, Royal Bank of Canada, International Clothiers, Benix & Co., Bonnie Togs, Fairweather, Addition-Elle, and Ricki's. The site has 78,000 square feet of developable area remaining. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	221,029	49.21%	43.05%
Lowe’s	141,848	31.58%	18.20%
Urban Barn	7,956	1.77%	3.49%
La Senza	7,502	1.67%	3.10%

Ottawa South SmartCentre, 2210 Bank Street, Ottawa, Ontario

Ottawa South SmartCentre is currently a 490,000 square foot shopping centre that is situated on approximately 56 acres at the intersection of Bank Street and Hunt Club Road in Ottawa, Ontario. A 129,000 square foot Wal-Mart store, a 78,000 square foot Loblaws store, a 39,000 square foot Cineplex Odeon, and a 36,000 square foot Future Shop anchor the site. Other national tenants include Winners, Staples, Chapters, Michaels, Aldo, Mark’s Work Wearhouse, Bouclair, CIBC, Bulk Barn, Danier Leather, Addition-Elle, Moores, Royal Bank of Canada, Montana's Cookhouse, The Children's Place, Roots, Kelsey's, and Blockbuster Video. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,987	26.31%	17.28%
Loblaws	77,728	15.85%	13.00%
Cineplex Odeon	38,994	7.95%	10.41%
Future Shop	35,815	7.30%	7.00%
Winners	26,706	5.45%	4.97%
Staples	26,270	5.36%	5.46%

Owen Sound SmartCentre, 1555 18th Avenue E, Owen Sound, Ontario

Owen Sound SmartCentre is a 158,000 square foot shopping centre that is situated on 20.59 acres on the southeast corner of Highway 26 and 18th Avenue East in Owen Sound, Ontario. The centre is anchored by a 106,000 square foot Wal-Mart store and is shadow-anchored by a 131,000 square foot Home Depot. Other national tenants include Penningtons, Dollarama, Bonnie Togs, Montana's Cookhouse, Swiss Chalet, Reitmans, Warehouse One, Chatters Salon and The Source. An additional 5,000 square feet of future development potential remain on undeveloped lands. The site can accommodate a 53,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	105,963	67.14%	40.14%
Penningtons	9,612	6.09%	9.76%
Dollarama	9,088	5.76%	9.04%
Bonnie Togs / Carter's Osh Kosh	5,212	3.30%	4.86%

Pembroke SmartCentre, 1108 Pembroke Street E, Pembroke, Ontario

Pembroke SmartCentre is an 11,000 square foot shopping centre that is situated on 15.06 acres at the intersection of Highway 148 and Angus Campbell Drive in Pembroke, Ontario. Boston Pizza and Reitmans are the national tenants operating on the site. The centre is shadow-anchored by a 105,000 square foot Wal-Mart store and an 83,000 square foot Canadian Tire store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Boston Pizza	6,183	54.97%	42.26%
Reitmans	5,064	45.03%	57.74%

Peterborough Home Outfitters Centre, 821-841 Rye Street, Peterborough, Ontario

Peterborough Home Outfitters Centre is a 58,000 square foot shopping centre that is at the intersection of Lansdowne Street and Rye Street in Peterborough, Ontario. A 33,000 square foot Home Outfitters store anchors the site. Other national tenants include Jysk Linen 'N Furniture, Boston Pizza, and Starbucks.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Home Outfitters	32,927	56.43%	54.29%
Jysk Linen 'N Furniture	17,865	30.61%	29.95%
Boston Pizza	5,963	10.22%	9.50%
Starbucks Coffee	1,600	2.74%	6.26%

Pickering SmartCentre, 1899 Brock Road, Pickering, Ontario

Pickering SmartCentre is currently a 528,000 square foot shopping centre that is situated on 48.34 acres at Highway 401 and Brock Road in Pickering, Ontario. A 128,000 square foot Wal-Mart store, a 49,000 square foot Sobeys, a 40,000 square foot Toys R Us and a 30,000 square foot Winners anchor the site. Other national tenants include Petsmart, La Senza, LCBO, Mark's Work Wearhouse, Tommy Hilfiger, Bonnie Togs, Boston Pizza, Everything for a Dollar, Reitmans, Danier Leather and Kelsey's. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store. An 82,000 square foot Canadian Tire store operates on lands immediately adjacent to the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	127,945	24.23%	14.42%
Sobeys	48,608	9.21%	9.73%
Toys R Us	40,084	7.59%	8.27%
Winners	30,126	5.71%	6.12%

Renfrew SmartCentre, O'Brien Road, Renfrew, Ontario

Renfrew SmartCentre is a 9,000 square foot shopping centre that is situated on 2.01 acres at O'Brien Road and Wrangler Road in Renfrew, Ontario. National tenants include Mark's Work Wearhouse, Payless Shoesource and First Choice Haircutters. An additional 9,000 square feet of development potential remain on the site. The site is shadow-anchored by an 128,000 square foot Wal-Mart Supercentre and a 35,000 square foot Canadian Tire store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Mark's Work Wearhouse	5,997	63.32%	62.12%
Payless Shoesource	2,533	26.74%	27.62%
First Choice Haircutters	941	9.94%	10.26%

Rexdale SmartCentre, 2267 Islington Avenue, Rexdale, Ontario

Rexdale SmartCentre is a 35,000 square foot shopping centre that is situated on at Islington Avenue in Rexdale, Ontario. The site is shadow-anchored by a 126,000 square foot Wal-Mart Supercentre. National tenants include Dollarama, Bank of Nova Scotia, Payless Shoesource, The Source, Pet Valu, Sally Beauty Supply and EB Games.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Dollarama	10,124	29.04%	16.84%
Bank of Nova Scotia	6,982	20.03%	25.90%
Payless Shoesource	2,484	7.12%	7.94%
Source, The	2,390	6.86%	7.64%

Richmond Hill SmartCentre, 1070 Major Mackenzie Drive East, Richmond Hill, Ontario

Richmond Hill SmartCentre is a 272,000 square foot shopping centre that is situated on approximately 28.12 acres at the northeast corner of Bayview Avenue & Major Mackenzie Drive East in Richmond Hill, Ontario. The centre is anchored by a 131,000 square foot Wal-Mart store and a 58,000 square foot Metro. Other national tenants include Shoppers Drug Mart, Rogers Video, Burger King, HSBC Bank, Bonnie Togs, Hallmark, and Payless Shoesource. Calloway has a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	130,921	48.09%	30.80%
Metro	57,994	21.30%	18.72%
Shoppers Drug Mart	13,528	4.97%	6.87%
Rogers Video	5,056	1.86%	2.55%

Rockland SmartCentre, 3001 Richelieu Street, Rockland, Ontario

Rockland SmartCentre is a 122,000 square foot shopping centre that is situated at the intersection of Highway 17 and Poupart Road in Rockland, Ontario. The centre is anchored by a 116,000 square foot Wal-Mart Supercentre. The site has 57,000 square feet of developable area remaining.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	115,890	95.08%	94.84%
Boston Pizza	5,992	4.92%	5.16%

Rutherford Village Shopping Centre, 9200 Bathurst Street, Vaughan, Ontario

Rutherford Village Shopping Centre is a 104,000 square foot retail shopping centre that is situated on 9.26 acres at the southwest corner of Bathurst Street and Rutherford Road in Vaughan, Ontario. A 49,000 square foot Sobeys anchors the site. Other national tenants include Pharma Plus, TD Canada Trust, Rogers Video and Tim Hortons.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Sobeys	48,890	46.99%	37.34%
Pharma Plus	6,838	6.57%	7.08%
TD Canada Trust	4,301	4.13%	6.78%
Rogers Video	4,295	4.13%	4.97%

Scarborough (1900 Eglinton) SmartCentre, 1900 Eglinton Avenue East, Scarborough, Ontario

Scarborough (1900 Eglinton) SmartCentre is a 299,000 square foot shopping centre that is situated on approximately 28.40 acres at the northwest corner of Eglinton Avenue East and Warden Avenue in Scarborough, Ontario. The centre is anchored by a 214,000 square foot Wal-Mart Supercentre. Other national tenants include Mark's Work

Wearhouse, Bank of Montreal, The Children's Place, Moores, Reitmans, Le Chateau, La Senza, Ardene, Smart Set, Bath & Body Works, Payless Shoesource, The Source, and Sally Beauty Supply. The site has 93,000 square feet of developable area remaining.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	214,477	71.72%	51.41%
Mark's Work Wearhouse	18,099	6.05%	8.76%
Bank of Montreal	8,173	2.73%	5.94%
Children's Place, The	6,607	2.21%	3.94%

Scarborough East SmartCentre (I), 850 Milner Avenue, Scarborough, Ontario

Scarborough East SmartCentre (I) is a 93,000 square foot shopping centre that is situated at the northeast corner of Highway 401 and Morningside Avenue in Scarborough, Ontario. Major tenants include Staples, Sears Mattresses and Appliances, Mark's Work Wearhouse, Malvern Drug Mart, Swiss Chalet, Everything for a Dollar, and Royal Bank of Canada. Future development potential includes an additional 18,000 square feet. The centre is shadow-anchored by a 112,000 square foot Home Depot store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Staples	25,722	27.79%	21.56%
Sears Mattresses and Appliances	13,198	14.26%	11.43%
Mark's Work Wearhouse	12,011	12.98%	12.08%
Malvern Drug Mart	7,024	7.59%	7.85%

Scarborough East SmartCentre (II), 799 Milner Ave. Scarborough, Ontario

Scarborough East SmartCentre (II) is a 281,000 square foot shopping centre that is situated on 18.73 acres at Morningside Avenue and Highway 401 in Scarborough, Ontario. A 181,000 square foot Wal-Mart Supercentre and a 44,000 square foot Cineplex Odeon anchor the site. Other national tenants include LCBO, Meridian Credit Union, Reitmans, Boston Pizza, Sleep Country, Kelsey's, and Penningtons.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	181,045	64.37%	39.96%
Cineplex Odeon	44,340	15.77%	24.64%
LCBO	10,523	3.74%	5.61%
Meridian Credit Union	6,827	2.43%	5.26%

St. Catharines West SmartCentre (I), 420 Vansickle Road, St. Catharines, Ontario

St. Catharines West SmartCentre (I) is a 361,000 square foot shopping centre that is situated on 44.24 acres on the southeast corner of Fourth Avenue and Vansickle Road in St. Catharines, Ontario. The centre is anchored by a

128,000 square foot Wal-Mart store as well as being shadow-anchored by a 75,000 square foot Canadian Tire store and a 107,000 square foot Real Canadian Superstore. Other national tenants include Designer Depot, Home Outfitters, Best Buy, LCBO, Dollar Giant, Petsmart, Addition-Elle, Mark's Work Wearhouse, Reitmans, Bonnie Togs, Moores, and Sleep Country. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	127,791	35.45%	15.39%
Designer Depot	32,022	8.88%	10.77%
Home Outfitters	31,890	8.85%	10.72%
Best Buy	30,577	8.48%	10.97%

St. Catharines West SmartCentre (II), 275 Fourth Avenue, St. Catharines, Ontario

St. Catharines West SmartCentre (II) is a 111,000 square foot shopping centre that is situated on 11.14 acres at the intersection of Fourth Avenue (north side) and Louth Street in St. Catharines, Ontario. The centre is anchored by a 35,000 square foot The Brick store. Other national tenants include Michaels, Shoppers Drug Mart, Golf Town, Bouclair, Bulk Barn and Wendy's. An additional 9,000 square feet of development potential remain. Directly across Fourth Avenue (on the south side) is St. Catharines West SmartCentre (I).

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Brick, The	35,108	31.57%	26.79%
Michaels	21,863	19.66%	15.89%
Shoppers Drug Mart	17,105	15.38%	20.72%
Golf Town	14,743	13.26%	12.50%

St. Thomas SmartCentre, 1063 Talbot Street, St. Thomas, Ontario

St. Thomas SmartCentre is a 203,000 square foot shopping centre that is situated on 48.46 acres at the intersection of First Avenue and Talbot Street in St. Thomas, Ontario. A 139,000 square foot Wal-Mart Supercentre anchors the site. Other national tenants include Dollar Giant, Mark's Work Wearhouse, Ardene, East Side Mario's, Wendy's, The Source and Telus Mobility. An additional 20,000 square feet of development potential remain. Shadow anchors include a 117,000 square foot Real Canadian Superstore and a 72,000 square foot Canadian Tire store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart Supercentre	138,567	68.35%	43.05%
Dollar Giant Nothing Over A Dollar	10,709	5.28%	7.71%
King's Buffet	8,188	4.04%	5.60%
Mark's Work Wearhouse	8,032	3.96%	6.94%

Stouffville SmartCentre, 1050 Hoover Park Drive, Stouffville, Ontario

Stouffville SmartCentre is a 148,000 square foot shopping centre that is situated at the main intersection of Highway 48 and Main Street in Stouffville, Ontario. A 69,000 square foot Canadian Tire store anchors the site. Adjacent to the property is a 163,000 square foot Wal-Mart Supercentre. Other national tenants will include Winners, Staples, Dollarama, Boston Pizza, Bulk Barn, Tim Hortons, Rogers Wireless and Telus Mobility. The site has 452,000 square feet of developable area remaining.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Canadian Tire	69,283	46.87%	39.69%
Winners	27,248	18.43%	16.49%
Staples	14,754	9.98%	9.25%
Dollarama	9,731	6.58%	7.57%

Toronto Stockyards SmartCentre, 2471 St. Clair Avenue West, Toronto, Ontario

Toronto Stockyards SmartCentre is a 9,000 square foot retail centre that is situated at the intersection of St. Clair Avenue West and Runnymede Road in Toronto, Ontario. The site is shadow-anchored by a 128,000 square foot Wal-Mart store. National tenants include Bank of Montreal, Citifinancial and EB Games.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Bank of Montreal	5,046	59.02%	59.68%
Citifinancial	2,256	26.39%	23.35%
EB Games	1,248	14.60%	16.97%

Vaughan SmartCentre, 101 Edgeley Boulevard, Vaughan, Ontario

Vaughan SmartCentre is a 270,000 square foot shopping centre that is situated on 47.59 acres at Highway 7 and Jane Street in Vaughan, Ontario. A 195,000 square foot Wal-Mart Supercentre anchors the site. National tenants include Future Shop and Home Outfitters. An additional 307,000 square feet of development potential remain.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart Supercentre	195,245	72.38%	53.48%
Future Shop	32,940	12.21%	21.30%
Home Outfitters	32,570	12.07%	19.61%
Monster Mortgage	3,308	1.23%	1.87%

Welland SmartCentre, 102 Primeway Drive, Welland, Ontario

Welland SmartCentre is a 204,000 square foot shopping centre that is situated on 26.31 acres at the intersection of Highway 406 and Woodlawn Road in Welland, Ontario. A 132,000 square foot Wal-Mart store and a 53,000 square foot Rona anchor the site and a 99,000 square foot Canadian Tire store shadow-anchors the site. Other national tenants include Mark's Work Wearhouse and Dollar Giant. Future development potential is an additional 117,000 square feet.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	132,114	64.82%	51.96%
Rona	52,687	25.85%	32.49%
Mark's Work Wearhouse	10,073	4.94%	8.65%
Dollar Giant Nothing Over A Dollar	8,950	4.39%	6.90%

Westgate SmartCentre, 3155 Argentia Road, Mississauga, Ontario

Westgate SmartCentre is a 555,000 square foot shopping centre that is situated on Winston Churchill Boulevard and Highway 401 in Mississauga, Ontario. A 129,000 square foot Wal-Mart store, a 125,000 square foot Building Box, a 51,000 square foot Toys R Us and a 40,000 square foot Home Outfitters anchor the site. A 115,000 square foot Real Canadian Superstore also shadow-anchors the site. Other national tenants include Winners, Staples, Michaels, Mark's Work Wearhouse, Petsmart, Pier 1 Imports, Danier Leather, Urban Barn, Moores, La Senza, Sport Mart, Bonnie Togs and HSBC Bank. An additional 73,000 square feet of development potential remain on the site. The site can also accommodate an expansion of 40,000 square feet to the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	129,376	22.11%	11.77%
Reno Depot o/a Building Box	125,040	21.37%	18.44%
Toys R Us	50,696	8.66%	9.08%
Home Outfitters	40,293	6.89%	7.22%
Winners	30,068	5.14%	4.36%
Staples	24,636	4.21%	4.57%

Westside Mall, 2400 Eglinton Avenue W, Toronto, Ontario

Westside Mall is a 144,000 square foot shopping centre that is situated on Eglinton Avenue West in Toronto, Ontario. A 75,000 square foot Canadian Tire store and a 35,000 square foot Price Chopper anchor the site. Other national tenants include Shoppers Drug Mart, Rogers Video and CIBC.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Canadian Tire	75,000	51.95%	47.93%
Sobeys o/a Price Chopper	35,019	24.26%	17.87%
Shoppers Drug Mart	10,015	6.94%	8.65%
Rogers Video	4,500	3.12%	4.06%

Whitby North SmartCentre, 4100 Baldwin Street S, Whitby, Ontario

Whitby North SmartCentre is a 232,000 square foot shopping centre that is situated on 24.87 acres at the intersection of Baldwin Street South and Taunton Road West in Whitby, Ontario. A 133,000 square foot Wal-Mart store anchors the site. Other national tenants include Mark's Work Wearhouse, LCBO, Bank of Nova Scotia, TD Canada Trust, East Side Mario's, Everything for a Dollar, 2001 Audio Video, Bulk Barn, Grand & Toy, and The Source. The site can accommodate a 35,000 square foot expansion of the Wal-Mart store. A 149,000 square foot Real Canadian Superstore operates on lands immediately adjacent to the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	132,724	57.28%	35.44%
Mark's Work Wearhouse	11,821	5.10%	7.07%
LCBO	9,638	4.16%	5.27%
Bank of Nova Scotia	7,000	3.02%	5.19%

Whitby Northeast SmartCentre, 4100 Baldwin Street S, Whitby, Ontario

Whitby Northeast SmartCentre is a 27,000 square foot shopping centre that is situated at the intersection of Brock Street and Taunton Road in Whitby, Ontario. National tenants include Boston Pizza, Royal Bank of Canada, and Bell World. An additional 29,000 square feet of development potential remain.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Boston Pizza	6,533	24.24%	13.08%
Royal Bank of Canada	5,630	20.89%	24.86%
Sgt. Pepper's	4,162	15.44%	17.70%
Tangerine Asian Cuisine	1,891	7.02%	8.35%

Windsor South SmartCentre, 3120 Dougall Avenue, Windsor, Ontario

Windsor South SmartCentre is a 230,000 square foot shopping centre that is situated on 17.89 acres at the southeast quadrant of E.C. Row Expressway and Dougall Avenue in Windsor, Ontario. A 129,000 square foot Wal-Mart store anchors the centre. Other national tenants include Part Source, Dollarama, Super Pet, Moores, The Beer Store, CIBC, and Payless Shoesource. An additional 2,000 square feet of developable area remain.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	129,121	56.05%	46.48%
Part Source	16,362	7.10%	6.75%
Dollarama	13,443	5.84%	5.09%
Super Pet	10,584	4.59%	7.01%

Woodbridge SmartCentre, 3900 Highway 7, Woodbridge, Ontario

Woodbridge SmartCentre is a 431,000 square foot shopping centre that is situated on 37 acres at the intersection of Weston Road and Highway 7 in Woodbridge, Ontario. A 31,000 square foot Best Buy store anchors the site. Other national tenants include Toys R Us, Chapters, Michaels, Sport Chek, CIBC, LCBO, Mark's Work Wearhouse, Globo Shoes, Laura's Shoppe, La Senza, Bouclair, Bonnie Togs, Pier 1 Imports, Esprit and Danier Leather. Shadow anchors include a 75,000 square foot Canadian Tire store and a 67,000 square foot Fortinos. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Best Buy	30,820	7.16%	7.24%
Toys R Us	29,997	6.97%	6.36%
Chapters	25,840	6.00%	5.98%
Michaels	22,556	5.24%	4.93%
Sport Chek	20,241	4.70%	4.89%

Woodstock SmartCentre, 499 Norwich Avenue, Woodstock, Ontario

Woodstock SmartCentre is a 216,000 square foot shopping centre that is situated on 19.39 acres at the northeast corner of Norwich Avenue and Juliana Drive in Woodstock, Ontario. The centre is anchored by a 130,000 square foot Wal-Mart store. Other national tenants include Staples, Mark's Work Wearhouse, Bonnie Togs, Reitmans, Dollar Giant, Montana's Cookhouse, Penningtons and The Source. The site can accommodate a 40,000 square foot expansion of the Wal-Mart store. The centre is shadow-anchored by a 93,000 square foot Canadian Tire store. An additional 21,000 square feet of developable area remain.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	130,387	60.29%	38.49%
Staples	25,770	11.92%	13.85%
Mark's Work Wearhouse	8,015	3.71%	5.91%
Bonnie Togs	7,271	3.36%	5.21%

Quebec

Drummondville SmartCentre, 355 Boulevard St-Joseph, Drummondville, Quebec

Drummondville SmartCentre is a 51,000 square foot shopping centre that is situated on 5.08 acres at the intersection of Boulevard Rene Levesque & Boulevard St-Joseph in Drummondville, Quebec. National tenants include L'Equipeur, Blockbuster Video, CIBC, Reitmans, and Payless Shoesource. Shadow anchors include a 130,000 square foot Wal-Mart store and a 115,000 square foot Loblaws. The site can accommodate 50,000 square feet of expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Mark's Work Wearhouse o/a L'Equipeur	8,425	16.46%	21.21%
Blockbuster Video	5,220	10.20%	15.46%
CIBC	5,038	9.84%	16.41%
Reitmans	5,009	9.79%	12.61%

Hull SmartCentre, 35 Boulevard du Plateau, Hull, Quebec

Hull SmartCentre is a 296,000 square foot shopping centre that is situated at Boulevard du Plateau and Rue de la Montagne in Hull, Quebec. A 106,000 square foot Wal-Mart store and a 30,000 square foot Winners anchor the site. Other national tenants include Staples, Bouclair, Sports Experts, L'Equipeur, Sleep Country, Addition-Elle, Reitmans, Moores, Danier Leather, Bank of Nova Scotia, and TD Canada Trust. A 45,000 square foot expansion of the Wal-Mart store can be accommodated on the site. Shadow anchors include a 101,000 square foot Rona, an 82,000 square foot Cineplex Odeon and a 45,000 square foot Super C grocery store. Calloway owns a 49.9% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	105,612	35.69%	23.65%
Winners	30,185	10.20%	8.08%
Staples	25,842	8.73%	7.86%
Bouclair	12,750	4.31%	4.50%

Kirkland SmartCentre, 17000 Route Transcanadienne, Kirkland, Quebec

Kirkland SmartCentre is a 207,000 square foot shopping centre at the intersection of Boulevard St. Charles and Route Transcanadienne in Kirkland, Quebec. A 132,000 square foot Wal-Mart store and a 70,020 square foot The Brick anchor the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	132,251	63.82%	45.78%
Brick, The	70,020	33.79%	50.23%
Grif & Graf	4,945	2.39%	3.99%

Laval West SmartCentre, 700 Autoroute Chomedey O, Laval, Quebec

Laval West SmartCentre is a 558,000 square foot shopping centre at the intersection of Autoroute Chomedey and Boulevard Samson in Laval, Quebec. A 128,000 square foot Wal-Mart store, a 125,000 square foot Rona, a 34,000 square foot Home Outfitters, and a 34,000 square foot Future Shop anchor the site. Other major tenants include Archambault, Staples, Uniprix, Caisse Populaire Desjardins, Bouclair, L'Equipeur, Dollarama, Pier 1 Imports, Globo Shoes, Mores, and Laurentian Bank. A 65,000 square foot expansion of the Wal-Mart store can be accommodated on the site. Shadow anchors include an 84,000 square foot Canadian Tire store and a 40,000 square foot IGA.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	127,951	22.93%	13.00%
Reno Depot	125,022	22.40%	18.66%
Home Outfitters	34,387	6.16%	6.31%
Future Shop	34,108	6.11%	7.00%
Archambault	27,364	4.90%	5.11%
Staples	25,786	4.62%	4.97%

Magog SmartCentre, 55 Rue Sherbrooke Magog, Quebec

Magog SmartCentre is a 102,000 square foot shopping centre that is situated at the intersection of Sherbrooke Street and Pomerleau Street in Magog, Quebec. The site is anchored by a 102,000 square foot Wal-Mart store. A 60,000 square foot Canadian Tire also shadow anchors the site. The centre has an additional 159,000 square feet of developable area remaining.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	101,854	100.00%	100.00%

Mascouche SmartCentre, 155 Montee Masson, Mascouche, Quebec

Mascouche SmartCentre is a 364,000 square foot shopping centre that is situated on 38.10 acres on the northwest interchange corner of Autoroute 640 and Autoroute 25 in the Montreal suburb of Mascouche, Quebec. The centre is anchored by a 106,000 square foot Wal-Mart, a 45,000 square foot IGA and a 40,000 square foot Home Outfitters. A 120,000 square foot Rona also shadow-anchors the site. Other national tenants include Winners, Staples, Future Shop, Bouclair, L'Equipeur, La Senza, Reitmans, Sleep Country, Smart Set, Marie Claire, Moores, Penningtons and HSBC Bank. The site can accommodate a 40,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	106,141	29.15%	14.56%
Sobeys o/a IGA	44,937	12.34%	13.62%
Home Outfitters	39,912	10.96%	12.54%
Winners	28,000	7.69%	7.10%
Staples	25,780	7.08%	7.39%
Future Shop	19,970	5.48%	6.60%

Montreal (Decarie) SmartCentre, 5400 Rue Jean Talon O, Montreal, Quebec

Montreal (Decarie) SmartCentre is a 225,000 square foot shopping centre that is situated on 24.54 acres at Rue Jean Talon and Boulevard Decarie in Montreal, Quebec. A 128,000 square foot Wal-Mart store anchors the site. Other national tenants include L'Equipeur, Pier 1 Imports, Addition-Elle, Baton Rouge, Danier Leather, Tim Hortons, Roots, and Sleep Country. An additional 25,000 square feet of developable area remain and the site can accommodate a 74,000 square foot expansion of the Wal-Mart store. Calloway owns a 50% interest in this property.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,207	57.04%	33.71%
Mark’s Work Wearhouse o/a L'Equipeur	12,086	5.38%	6.30%
Pier 1 Imports	9,505	4.23%	5.89%
Addition-Elle	7,989	3.55%	4.60%

Montreal North SmartCentre, 6140 Boulevard Henri Bourassa, Montreal, Quebec

Montreal North SmartCentre is a 257,000 square foot shopping centre that is situated on 23.24 acres at Boulevard Henri Bourassa and Boulevard Lacordaire in Montreal, Quebec. A 129,000 square foot Wal-Mart store and a 45,000 square foot IGA anchor the site. Other national tenants include Winners, Dollarama, L’Equipeur, Sleep Country, Reitmans, and TD Canada Trust. An additional 26,000 square feet of development potential remain on the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,758	50.06%	33.90%
Sobeys o/a IGA	44,910	17.46%	18.80%
Winners	27,740	10.79%	11.40%
Dollarama	9,346	3.63%	4.27%

Place Bourassa Mall, 6000 boulevard. Henri Bourassa Est, Montreal, Quebec

Place Bourassa Mall is a 276,000 square foot enclosed shopping mall that is situated at the intersection of Boulevard Henri-Bourassa Est and Boulevard Lacordaire in Montreal, Quebec. A 128,000 square foot Zellers and a 43,000 square foot Super C grocery store anchor the site. Other major tenants include Pharmaprix, Bouclair, L'Aubainerie, SAQ, Yellow, Ardene, The Source, Bell, and Hallmark.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Zellers	127,552	46.18%	16.25%
Super C	42,531	15.40%	18.50%
Shoppers Realty o/a Pharmaprix	8,924	3.23%	5.80%
Bouclair	8,484	3.07%	3.31%

Rimouski SmartCentre, 415 Montee Industrielle-et-Commerciale, Rimouski, Quebec

Rimouski SmartCentre is a 216,000 square foot shopping centre that is situated on 35.28 acres at the intersection of Montee Industrielle-et-Commerciale and 2ieme Rue Est in Rimouski, Quebec. A 127,000 square foot Wal-Mart store anchors the site. Other major tenants include Winners, Future Shop, Clement, L’Equipeur, Reitmans, Penningtons, Yellow, Marie Claire, and Ardene. An additional 27,000 square feet of developable area remain. A

65,000 square foot expansion of the Wal-Mart store can be accommodated. Shadow anchors include a 75,000 square foot Tanguay and a 44,000 square foot Super C grocery store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	127,087	58.76%	42.71%
Winners	23,069	10.67%	12.95%
Future Shop	19,897	9.20%	14.01%
Clement	7,337	3.39%	4.75%

Saint-Constant SmartCentre, 500 Voie de Desserte, rue NR 132, Saint-Constant, Quebec

Saint-Constant SmartCentre is a 304,000 square foot shopping centre that is situated on 40.76 acres at the intersection of Route 132 and Rue Macon in Saint-Constant, Quebec. A 123,000 square foot Wal-Mart store and a 45,000 square foot Super C anchor the site. Other major tenants include Concept Mode, L'Equipeur, Dollarama, Scores, Marie Claire, Royal Bank of Canada, Penningtons, Reitmans, Smart Set, Sleep Country and Yellow. An additional 20,000 square feet of development potential remain on the site and an additional 65,000 square foot expansion of the Wal-Mart store can be accommodated. A 95,000 square foot Home Depot operates on lands immediately adjacent to the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	123,474	40.65%	22.33%
Super C	44,761	14.74%	18.56%
Concept Mode St Constant Inc.	25,462	8.38%	6.01%
Mark’s Work Wearhouse o/a L'Equipeur	10,200	3.36%	4.03%

Saint-Jean SmartCentre, 100 Rue Omer-Marcil, Saint-Jean, Quebec

Saint-Jean SmartCentre is a 196,000 square foot shopping centre that is situated on 29.06 acres on the northeast corner of Rue Pierre-Caisse and Rue Bernier in Saint-Jean, Quebec. The centre is anchored by a 127,000 square foot Wal-Mart store. Other national tenants include L’Equipeur, Bouclair, Reitmans, Penningtons, Sleep Country, TD Canada Trust, Caisse Populaire Desjardins, Yellow and Tim Hortons. The centre has an additional 14,000 square feet of developable area remaining. The site can accommodate a 65,000 square foot expansion of the Wal-Mart store and is shadow-anchored by an 80,000 square foot Maxi grocery store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	127,356	65.00%	43.74%
Mark’s Work Wearhouse o/a L'Equipeur	10,024	5.12%	7.06%
Bouclair	8,153	4.16%	5.57%
Reitmans	5,495	2.80%	4.04%

Saint-Jerome SmartCentre, 1030 Boulevard Du Grand-Heron, Saint-Jerome, Quebec

Saint-Jerome SmartCentre is a 120,000 square foot shopping centre that is situated on 17.70 acres at Boulevard Jean-Baptiste-Rolland & Rue Brière in Saint-Jerome, Quebec. A 45,000 square foot IGA anchors the site. Other national tenants include Bouclair, Dollarama, Boston Pizza, Addition-Elle, TD Canada Trust, Marie Claire, Claire France, Grenier and Smart Set. An additional 37,000 square feet of development potential remain on the site. A 128,000 square foot Wal-Mart store and a 119,000 square foot Home Depot operates on lands adjacent to the site.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Sobeys o/a IGA	44,856	37.46%	30.85%
Bouclair	10,188	8.51%	8.42%
Dollarama	9,206	7.69%	6.71%
Resto-Bar La Cage Aux Sports	7,406	6.18%	8.46%

Sherbrooke SmartCentre, 4050 Boulevard Josphat-Rancourt, Sherbrooke, Quebec

Sherbrooke SmartCentre is a 205,000 square foot shopping centre that is situated on approximately 28.40 acres at the northeast corner of Highway 10 and Highway 410 in Sherbrooke, Quebec. The centre is anchored by a 134,000 square foot Wal-Mart store and a 30,000 square foot The Brick. A 95,000 square foot Home Depot and a 75,000 square foot Canadian Tire store also shadow-anchor the site. Other national tenants include Best Buy and Mark's Work Wearhouse. The site has 5,000 square feet of developable area remaining can accommodate a 65,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	133,667	65.14%	41.98%
Brick, The	30,140	14.69%	23.52%
Best Buy	25,750	12.55%	20.72%
Mark's Work Wearhouse	12,069	5.88%	9.71%

Valleyfield SmartCentre, 2050 Boulevard Monseigneur-Langlois, Salaberry de Valleyfield, Quebec

Valleyfield SmartCentre is a 161,000 square foot shopping centre that is situated on 17.95 acres on the southwest corner of Boulevard Monseigneur-Langlois and Rue Fabre in the Montreal suburb of Salaberry de Valleyfield, Quebec. A 107,000 square foot Wal-Mart store anchors the site. Other major tenants include Dollarama, SAQ, Reitmans, Claire France, Marie Claire, Yellow, Tim Hortons, Payless Shoesource and The Source. The site can accommodate a 45,000 square foot expansion of the Wal-Mart store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	107,128	66.44%	44.05%
Dollarama	9,321	5.78%	7.60%
SAQ	6,964	4.32%	7.33%
Reitmans	5,000	3.10%	4.51%

Victoriaville SmartCentre, Victoriaville, Quebec

Victoriaville SmartCentre is a 23,000 square foot shopping centre that is situated on approximately 28.12 acres at the northeast corner of Boulevard Jutrus E & Boulevard Bois-Francs Sud in Victoriaville, Quebec. A 23,000 square foot Winners is located on the site. Developable area remaining is 17,000 square feet.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Winners	23,214	100.00%	100.00%

New Brunswick

Fredericton North SmartCentre, Fredericton, New Brunswick

Fredericton North SmartCentre is a development property that is situated at the intersection of Two Nations Crossing and St. Mary's Street in Fredericton, New Brunswick. The site has 51,000 square feet of developable area. A 123,000 square foot Wal-Mart store, a 72,000 square foot Canadian Tire store and a 40,000 Kent Building Supplies store shadow-anchors the site.

Saint John SmartCentre, 450 Westmoreland Road, Saint John, New Brunswick

Saint John SmartCentre is a 271,000 square foot shopping centre that is situated on 24.66 acres at the northwest corner of Westmoreland Road and McAllister Drive in Saint John, New Brunswick. A 128,000 square foot Wal-Mart store and a 45,000 square foot Winners anchor the site. Other national tenants include Future Shop, Sport Chek, Old Navy, Pier 1 Imports, Swiss Chalet, Addition-Elle, Reitmans, CIBC, and Everything for a Dollar. A 102,000 square foot Kent Building Supplies store and an 80,000 square foot Canadian Tire store shadow-anchor the centre.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,375	47.36%	29.20%
Winners	45,015	16.61%	18.63%
Future Shop	18,680	6.89%	7.88%
Sport Chek	15,489	5.71%	7.40%

Nova Scotia

Bridgewater SmartCentre, New Pine Grove Road, Bridgewater, Nova Scotia

Bridgewater SmartCentre is a 32,000 square foot shopping centre that is situated on 15.27 acres at New Pine Grove Road and Route 10 in Bridgewater, Nova Scotia. National tenants include Boston Pizza, Swiss Chalet, Reitmans, PJ’s Pets, EasyHome, Payless Shoesource, and EB Games. An additional 36,000 square feet of development potential remain on the site. Shadow anchors include an 81,000 square foot Wal-Mart store, an 85,000 square foot Home Depot and a 72,000 square foot Canadian Tire store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Boston Pizza	5,985	18.71%	13.43%
Swiss Chalet	5,091	15.91%	20.51%
Reitmans	4,966	15.52%	15.39%
Pets Unlimited o/a PJ's Pets	4,014	12.55%	13.09%

Halifax Bayers Lake Centre, 194 Chain Lake Drive, Halifax, Nova Scotia

Halifax Bayers Lake Centre is a 155,000 square foot shopping centre that is situated on Chain Lake Drive in Halifax, Nova Scotia. A 35,000 square foot Future Shop anchors the site. Shadow anchors include a 100,000 square foot Zellers store and an 80,000 square foot Atlantic Superstore. Other major tenants include Winners, Cleve's Warehouse Sporting Goods, The Shoe Company, Addition-Elle, Roots, Danier Leather, Liz Claiborne and Reitmans.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Future Shop	35,483	22.85%	20.28%
Winners	27,556	17.74%	10.30%
Cleve's Warehouse Sporting Goods	11,989	7.72%	7.91%
Shoe Company, The	8,255	5.32%	6.17%

New Minas SmartCentre, 9121 Commercial Street, New Minas, Nova Scotia

New Minas SmartCentre is a 46,000 square foot shopping centre that is situated on 14.0 acres at the northwest corner of Commercial Street and Jones Road in New Minas, Nova Scotia. The centre is shadow-anchored by a 109,000 square foot Wal-Mart store. National tenants include Mark's Work Wearhouse, Bulk Barn, Bank of Nova Scotia, PJ's Pets and EB Games.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Sport Chek	15,019	32.96%	32.48%
Mark's Work Wearhouse	12,750	27.98%	30.33%
Bulk Barn	5,527	12.13%	10.76%
Bank of Nova Scotia	4,731	10.38%	12.45%

Truro SmartCentre, 140 Wade Road, Truro, Nova Scotia

Truro SmartCentre is a 124,000 square foot shopping centre that is situated on 27.06 acres on the northeast corner of Highway 102 and McClures Mill Connection in Truro, Nova Scotia. The centre is anchored by a 106,000 square foot Wal-Mart store. Other national tenants include Stitches, Reitmans, Penningtons, and First Choice Haircutters. The centre has an additional 18,000 square feet of developable area remaining. The site can accommodate a 45,000 square foot expansion to the Wal-Mart store. A 60,000 square foot Kent Building Supplies is adjacent to the site.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	106,329	86.05%	74.07%
Stitches	6,120	4.95%	8.81%
Reitmans	5,110	4.14%	7.59%
Penningtons	4,982	4.03%	7.52%

Prince Edward Island

Charlottetown SmartCentre, 80 Buchanan Drive, Charlottetown, Prince Edward Island

Charlottetown SmartCentre is a 189,000 square foot shopping centre that is situated on 30.66 acres on University Avenue in Charlottetown, Prince Edward Island. A 104,000 square foot Wal-Mart store anchors the centre. Other national tenants include Michaels, Future Shop, Old Navy, The Children's Place, PJ's Pets, Hallmark and La Senza. An additional 28,000 square feet of developable area remain. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store. Shadow anchors include a 90,000 square foot Canadian Tire store, an 80,000 square foot Home Depot and a 60,000 square foot Sobeys.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	104,392	55.26%	38.68%
Michaels	21,862	11.57%	13.87%
Future Shop	18,749	9.92%	11.90%
Old Navy	16,799	8.89%	11.70%

Newfoundland & Labrador

Corner Brook SmartCentre, 16 Murphy Square, Corner Brook, Newfoundland & Labrador

Corner Brook SmartCentre is a 179,000 square foot shopping centre that is situated on 14.92 acres on the northeast corner of St. Mark's Avenue and Lewin Parkway in Corner Brook, Newfoundland. The centre is anchored by a 106,000 square foot Wal-Mart store. Other national tenants include Staples, Mark's Work Wearhouse, Sunlife, Buck or Two, Bulk Barn, EasyHome, and Tim Hortons. Shadow anchors include a 75,000 square foot Canadian Tire store and a 60,000 square foot Dominion grocery store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	106,352	59.42%	39.55%
Staples	25,059	14.00%	14.18%
Mark's Work Wearhouse	6,991	3.91%	5.75%
Sunlife	5,883	3.29%	5.45%

Gander SmartCentre, 55 Roe Avenue, Gander, Newfoundland & Labrador

Gander SmartCentre is a 25,000 square foot shopping centre that is situated on approximately 23.61 acres at the intersection of Cooper Boulevard and Roe Avenue in Gander, Newfoundland. The site is shadow-anchored by an 88,000 square foot Wal-Mart store. Other national tenants include Bank of Nova Scotia, Buck or Two, Penningtons, EasyHome, The Source, and EB Games. The centre has an additional 97,000 square feet of developable area remaining.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Bank of Nova Scotia	6,500	25.76%	35.13%
Buck or Two	4,039	16.01%	9.49%
Penningtons	3,992	15.82%	15.39%
EasyHome	3,981	15.78%	17.31%

Mount Pearl SmartCentre, 60 Merchant Drive, Mount Pearl, Newfoundland & Labrador

Mount Pearl SmartCentre is a 249,000 square foot shopping centre that is situated on 28.93 acres at the northwest corner of Pitts Memorial Drive and Ruby Line in St. John's, Newfoundland. A 131,000 square foot Wal-Mart store and a 30,000 square foot Staples anchor the site. Other major tenants include Nubody's Fitness, Mark's Work Wearhouse, The $1 Store Plus, Reitmans, Penningtons, EasyHome, Hallmark, and The Source. An additional 11,000 square feet of developable area remain. The site can accommodate a 30,000 square foot expansion of the Wal-Mart store. Shadow anchors include an 83,000 square foot Canadian Tire store and an 82,000 square foot Dominion grocery store.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Wal-Mart	131,001	52.68%	36.79%
Staples	30,000	12.06%	8.51%
Nubody's Fitness Centres	25,086	10.09%	14.23%
Mark's Work Wearhouse	10,009	4.03%	8.72%

Pearlgate Shopping Centre, 10 Gibson Drive, Mount Pearl, Newfoundland & Labrador

Pearlgate Shopping Centre is a 43,000 square foot shopping centre that is situated on 4.17 acres at the southwest corner of Old Placentia Road and Ruby Line in Mount Pearl, Newfoundland & Labrador. National tenants include Shoppers Drug Mart, Rogers Video, Bulk Barn, TD Canada Trust and Pets Unlimited. Adjacent to the site is Calloway's Mount Pearl SmartCentre.

Major Tenants / Anchors	**Net Rentable Area**	**% of Net Rentable Area**	**% of Gross Rental Revenue**
Shoppers Drug Mart	18,300	42.66%	46.43%
Smitty's Restaurant and Lounge	5,100	11.89%	11.15%
Rogers Video	4,729	11.03%	11.08%
Bulk Barn	4,500	10.49%	10.83%

St. John’s Central SmartCentre, 9 Kelsey Drive, St. John’s, Newfoundland & Labrador

St. John’s Central SmartCentre is a 110,000 square foot shopping centre that is situated on 17.28 acres at Kelsey Drive and Kenmount Road in St. John’s, Newfoundland. A 48,000 square foot IGA anchors the centre. Other national tenants include Mark’s Work Wearhouse, Sobeys Liquor Outlet, Boston Pizza, Moores and The Source. An additional 41,000 square feet of developable area remain. Shadow anchors include a 134,000 square foot Wal-Mart store, a 106,000 square foot Home Depot and a 71,000 square foot Canadian Tire store.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Sobeys o/a IGA	47,586	43.31%	43.05%
Mark's Work Wearhouse	13,119	11.94%	17.49%
Sobeys Liquor Outlet	9,393	8.55%	10.73%
Boston Pizza	6,491	5.91%	5.71%

St. John's East SmartCentre, 90 Aberdeen Avenue, St. John's, Newfoundland & Labrador

St. John's East SmartCentre is a 364,000 square foot shopping centre that is situated on 31.27 acres at the intersection of Stavanger Drive and Torbay Road in St. John's, Newfoundland. A 128,000 square foot Wal-Mart store anchors the site and an 80,000 square foot Dominion grocery store shadow-anchors the site. Other national tenants include Winners, Staples, Future Shop, Michaels, Old Navy, Sport Chek, Addition-Elle, Mark's Work Wearhouse, Pier 1 Imports, Pets Unlimited, Bowring, Reitmans, Buck or Two, The Shoe Company, and Smart Set.

Major Tenants / Anchors	Net Rentable Area	% of Net Rentable Area	% of Gross Rental Revenue
Wal-Mart	128,273	35.22%	20.88%
Winners	27,301	7.50%	7.44%
Staples	25,180	6.91%	6.54%
Future Shop	23,797	6.53%	7.61%
Michaels	21,934	6.02%	6.83%

DECLARATION OF TRUST AND DESCRIPTION OF UNITS

General

Calloway is an unincorporated open-end real estate investment trust established by the Declaration of Trust and governed by the laws of the Province of Alberta.

Authorized Capital

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units: Units and Special Voting Units. As of December 31, 2009, Calloway had 82,981,042 Units and 16,384,402 Special Voting Units outstanding for a total of 99,365,444 outstanding Voting Units.

Units

An unlimited number of Units may be created and issued pursuant to the Declaration of Trust. The Declaration of Trust provides that Units or rights to acquire Units may be issued at times, to the persons, for the consideration and on the terms and conditions that the Trustees determine. Each Unit represents an equal fractional undivided beneficial interest in any distributions from, and in any net assets of, Calloway in the event of termination or winding-up of Calloway. All Units are of the same class with equal rights and privileges. Each Unit is transferable, entitles the holder thereof to participate equally in distributions, including the distributions of net income and net realized capital gains of Calloway and distributions on liquidation, is fully paid and non-assessable and entitles the holder thereof to one vote at all meetings of Unitholders for each Unit held.

The Units do not represent a traditional investment and should not be viewed by investors as "shares" in Calloway. As holders of Units in Calloway, the Unitholders do not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions.

The Units are not "deposits" within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under the provisions of that act or any other legislation. Furthermore, Calloway is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

Special Voting Units

An unlimited number of Special Voting Units may be created and issued pursuant to the Declaration of Trust. Special Voting Units may be issued by Calloway from time to time which shall entitle the holder of an Exchangeable Security (as defined below) to such number of votes at meetings of Voting Unitholders as is equal to the number of Units into which such Exchangeable Security (other than an Exchangeable Security owned by Calloway or any subsidiary of Calloway) is then exchangeable or convertible for. For greater certainty, holders of Special Voting Units shall not be entitled, by virtue of their holding of Special Voting Units, to distributions of any nature whatsoever from Calloway nor shall they have any beneficial interest in any assets of Calloway on termination or winding up of Calloway. Special Voting Units are not separately transferable from the Exchangeable Security to which they relate and are automatically redeemed and cancelled upon the exercise or conversion of such Exchangeable Security.

Notwithstanding the foregoing, if in any given 365 day period in the five year period from July 1, 2005, the average weighted aggregate number of Special Voting Units plus Units held or controlled by Mitchell Goldhar, companies controlled by Mitchell Goldhar or affiliates of such companies (collectively referred to herein as "**SmartCentres**") is equal to or greater than 15,000,000, then so long as Mr. Mitchell Goldhar remains a Trustee and SmartCentres directly or indirectly beneficially own or control less than 25% of the voting rights attached to all voting securities of Calloway, Calloway shall issue such number of additional Special Voting Units which will entitle SmartCentres to cast 25% of the votes attached at a meeting of the holders of Voting Units. SmartCentres' entitlement under this clause shall extend for an additional five year period should SmartCentres sell in aggregate at least $800,000,000 of freehold assets (including freehold interests in assets sold under development arrangements) to Calloway or its affiliates during the initial 5 year period, provided that number of Units and Special Voting Units held or controlled by SmartCentres shall be increased to the lesser of 20,000,000 or 20% of the aggregate issued and outstanding Units plus Special Voting Units and provided that Mr. Mitchell Goldhar remains a Trustee.

Redemption Right

Units are redeemable at any time on demand by the holders thereof. A Unitholder who holds Units in the name of an investment dealer and who wishes to exercise the redemption right will be required to obtain a redemption notice form from the Unitholder's investment dealer who will be required to deliver the completed redemption notice form to CDS Clearing and Depository Services Inc. for delivery to Calloway. Upon receipt of the redemption request by Calloway, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per Unit (the "**Redemption Price**") equal to the lesser of: (i) 90% of the "market price" of the Units on the principal market on which the Units are quoted for trading during the 10 trading day period ending on the date on which the Units are surrendered for redemption (the "**Redemption Date**"); and (ii) 100% of the "closing market price" on the principal market on which the Units are quoted for trading on the Redemption Date.

For the purposes of this calculation, "**market price**" will be an amount equal to the weighted average of the closing price of the Units for each of the trading days on which there was a closing price; provided that, if the applicable exchange or market does not provide a closing price but only provides the highest and lowest prices of the Units traded on a particular day, the "market price" shall be an amount equal to the weighted average of the highest and lowest prices for each of the trading days on which there was a trade; and provided further that if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, the market price shall be the weighted average of the following prices established for each of the 10 trading days: the weighted average of the last bid and last ask prices for each day on which there was no trading; the closing price of the Units for each day that there was trading if the exchange or market provides a closing price; and the weighted average of the highest and lowest prices of the Units for each day that there was trading, if the market provides only the highest and lowest prices of Units traded on a particular day. The "**closing market price**" shall be an amount equal to the closing price of the Units if there was a trade on the date and the exchange or market provides a closing price; an amount equal to the weighted average of the highest and lowest prices of the Units if there was trading and the exchange or other market provides only the highest and lowest prices of Units traded on a particular day; or the weighted average of the last bid and last ask prices if there was no trading on the date.

The aggregate Redemption Price payable by Calloway in respect of any Units surrendered for redemption during any calendar month shall be satisfied by way of a cash payment on or before the last day of the following month; provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by Calloway in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed $50,000 (provided that the Trustees may, in their sole discretion, waive such limitation in respect of any calendar month); (ii) at the time such Units are tendered for redemption the outstanding Units shall be listed for trading on a stock exchange or traded or quoted on any other market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, on any market on which the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10 day trading period commencing immediately after the Redemption Date.

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the foregoing limitations, then the Redemption Price for such Units shall be the fair market value thereof, as determined by the Trustees in the circumstances described in subparagraphs (ii) and (iii) above, and shall, subject to any applicable regulatory approvals, be paid and satisfied, at the option of Calloway, by way of the issuance and delivery by Calloway to each holder of Units tendered for redemption who is not entitled to receive cash in respect thereof on the Redemption Date of unsecured promissory notes with interest at a market rate to be determined by the Trustees, payable monthly, issued by Calloway (the "**Notes**"), each in the principal amount of $1, on the basis of such number of Notes for such Units tendered for redemption equal to the product of (i) number of Units tendered for redemption multiplied by (ii) the Redemption Price per Unit specified above, which product will then be divided by $1 on the date the Units were tendered for redemption. The Redemption Price payable pursuant to this alternative redemption method in respect of Units tendered for redemption during any month shall, subject to receipt of all necessary regulatory approvals, be paid by the transfer, to or to the order of the Unitholder who exercised the right of redemption, on the last day (the "**Transfer Date**") of the calendar month following the month in which the Units were tendered for redemption. Payments by Calloway of the Redemption Price are conclusively deemed to have been made upon the mailing of the Notes by registered mail in a postage prepaid envelope addressed to the former Unitholder. Upon such payment, Calloway shall be discharged from all liability to the former Unitholder in respect of the Units so redeemed. No fractional Notes in a principal amount less than $1 will be distributed and where the number of Notes to be received by the former Unitholder includes a fraction or a principal amount less than a multiple of $1, such number shall be rounded to the next lowest number or multiple of $1, as the case may be.

It is anticipated that the redemption right will not be the primary mechanism for holders of Units to dispose of their Units. Securities and/or obligations which may be distributed to Unitholders in connection with a redemption will not be listed on any stock exchange and no market is expected to develop in such securities and/or obligations and such securities and/or obligations may be subject to an indefinite "hold period" or other resale restrictions under applicable securities laws. Such securities and/or obligations may not be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans.

Unitholder Limited Liability

Certain provinces in Canada have passed legislation that creates a statutory limitation on the liability of unitholders of income trusts. The legislation provides that a Unitholder will not be, as a beneficiary, liable for any act, default, obligation or liability of the Trustees that arises after the legislation comes into effect. However, the legislation has not yet been judicially considered and it is possible that reliance upon the legislation by a Unitholder could be successfully challenged on jurisdictional or other grounds.

Further, the Declaration of Trust provides that no Unitholder will be subject to any liability in connection with Calloway or its obligations and affairs and, in the event that a court determines Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of, the Unitholder's share of Calloway's assets. Pursuant to the Declaration of Trust, Calloway will reimburse each Unitholder from any cost, damages, liabilities, expenses, charges and losses suffered by a Unitholder resulting from or arising out of any payment of a Calloway obligation by a Unitholder.

Further, the Declaration of Trust provides that written instruments signed by or on behalf of Calloway shall, if practicable, contain a provision to the effect that such obligation will not be binding upon Unitholders personally. Notwithstanding the terms of the Declaration of Trust, Unitholders may not be protected from liabilities of Calloway to the same extent as a shareholder is protected from the liabilities of a corporation. Personal liability may also arise in respect of claims against Calloway (to the extent that claims are not satisfied by Calloway) that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities.

The business of Calloway will be conducted, upon the advice of counsel, in such a way and in such jurisdictions as to avoid as far as possible any material risk of liability to the Unitholders for claims against Calloway including, where commercially reasonable, by obtaining appropriate insurance, where available, for the operations of Calloway and, where commercially reasonable, having written agreements signed by or on behalf of Calloway include a provision that such obligations are not binding upon Unitholders personally.

However, in conducting its affairs, Calloway will be acquiring, and has acquired, real property investments subject to existing contractual obligations, including obligations under mortgages and leases. The Trustees will use all reasonable efforts to have any such obligations under mortgages on its properties and material contracts, other than leases, modified so as not to have such obligations binding upon any of the Unitholders or annuitants personally. However, Calloway may not be able to obtain such modification in all cases. To the extent that claims are not satisfied by Calloway, there is a risk that a Unitholder or annuitant will be held personally liable for obligations of Calloway where the liability is not disavowed as described above.

Limitations on Non-Resident Unitholders

Certain provisions of the Tax Act require that Calloway not be established nor maintained primarily for the benefit of Non-Residents. Accordingly, in order to comply with such provisions, the Declaration of Trust contains restrictions on the ownership of Units by Unitholders who are Non-Residents. At no time may Non-Residents be the beneficial owners of more than 49.9% of the Units, on a basic or fully-diluted basis (and for greater certainty, including Units into which Exchangeable Securities may be converted or exchanged), and the Trustees shall inform the transfer agent of this restriction. The Trustees may require a registered holder of Units and/or Special Voting Units to provide the Trustees with a declaration as to the jurisdictions in which beneficial owners of the Units or Special Voting Units registered in such Voting Unitholder's name are resident and as to whether such beneficial owners are Non-Residents (or in the case of a partnership, whether the partnership is a Non-Resident). If the Trustees become aware, as a result of acquiring such declarations as to beneficial ownership or as a result of any other investigations, that the beneficial owners of 49.9% of the Units (on a basic or fully-diluted basis, including Units into which Exchangeable Securities may be converted or exchanged) are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration in form and content satisfactory to the Trustees that the person is not a Non-Resident and does not hold such Units for the benefit of Non-Residents. If, notwithstanding the foregoing, the Trustees determine that more than 49.9% of the Units (on a basic or fully-diluted basis, including Units into which Exchangeable Securities may be converted or exchanged) are held by Non-Residents, the Trustees may send a notice to such Non-Resident holders of the Units or Exchangeable Securities, as the case may be, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or Exchangeable Securities or a portion thereof within a specified period of not more than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or Exchangeable Securities or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such Unitholders sell such Units or Exchangeable Securities and, in the interim, shall suspend the voting and distribution rights attached to such Units or Exchangeable Securities (other than the right to receive the net proceeds from the sale). Upon such sale or conversion, the affected holders shall cease to be holders of the relevant Units or Exchangeable Securities and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificates, if any, representing such securities. Calloway may direct the Transfer Agent to do any of the foregoing.

Meetings of Unitholders

The Declaration of Trust provides that meetings of Voting Unitholders must be called and held for, among other matters, the election or removal of Trustees (except filling casual vacancies), the appointment or removal of the auditors of Calloway, the approval of amendments to the Declaration of Trust (except as described under "Amendments to the Declaration of Trust"), an increase or decrease in the number of Trustees, the sale or transfer of the assets of Calloway as an entirety or substantially as an entirety (other than as part of an internal reorganization), or the termination of Calloway. Meetings of Voting Unitholders will be called and held annually for, among other things, the election of the Trustees and the appointment of auditors of Calloway. The foregoing matters must be passed by at least a majority of the votes cast at a meeting of Unitholders called for such purpose.

A meeting of Voting Unitholders may be convened at any time and for any purpose by the Trustees and must be convened if requisitioned by the holders of not less than 10% of the Voting Units then outstanding by a written requisition. A requisition must, among other things, state in reasonable detail the business proposed to be transacted at the meeting.

Voting Unitholders may attend and vote at all meetings of Voting Unitholders either in person or by proxy and a proxyholder need not be a Voting Unitholder. Two persons present in person or represented by proxy and representing in the aggregate at least 10% of the votes attaching to all outstanding Units shall constitute a quorum for the transaction of business at all such meetings.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Voting Unitholders.

Information and Reports

Calloway will furnish to Unitholders such financial statements (including quarterly and annual financial statements) and other reports as are from time to time required by applicable law, including prescribed forms needed for the completion of Unitholders' tax returns under the Tax Act and equivalent provincial legislation.

Prior to each meeting of Unitholders, the Trustees will provide the Unitholders (along with notice of such meeting) a proxy form and an information circular containing information similar to that required to be provided to shareholders of a Canadian public corporation governed by the Canada *Business Corporations Act*.

Trustees

The Declaration of Trust provides that, subject to the terms and conditions thereof, the Trustees may, in respect of the trust assets, exercise any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof and shall supervise the investments and conduct the affairs of Calloway. The Declaration of Trust provides that the Trustees shall act honestly and in good faith with a view to the best interest of Calloway and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Except as expressly prohibited by law, the Trustees may grant or delegate certain of the Trustees' authority to effect the actual administration of the duties of the Trustees under the Declaration of Trust. The Trustees may grant broad discretion to a third party to administer and manage the day-to-day operations of Calloway, and to make executive decisions which conform to the general policies and general principles set forth in the Declaration of Trust or otherwise established by the Trustees.

Pursuant to the Declaration of Trust, there shall be no fewer than seven (7) nor more than twelve (12) Trustees. Subject to the right of SmartCentres to appoint Trustees as described below, the number of Trustees may be increased or decreased within such limits from time to time by the Trustees or the Unitholders, provided that the Trustees may not, between meetings of Unitholders, appoint an additional Trustee if, after such appointment, the total number of Trustees would be greater than one and one-third of the number of Trustees in office immediately following the last annual meeting of Unitholders. A majority of the Trustees shall be Resident Canadians.

Subject to the right of SmartCentres to appoint Trustees as described below, Trustees will be elected annually by resolution passed by a majority of the votes cast at a meeting by Unitholders. Trustees elected at an annual meeting will be elected for a term expiring at the subsequent annual meeting and will be eligible for re-election. A Trustee elected or appointed to fill a vacancy shall hold office for the remaining term of the Trustee he or she is succeeding. The Declaration of Trust provides with respect to Trustees that a Trustee may be removed with or without cause by a majority of the votes cast at a meeting of Unitholders or with cause by a majority of the remaining Trustees.

The Declaration of Trust provides that:

(a) for so long as Mitchell Goldhar, companies controlled by Mitchell Goldhar or affiliates of such companies (collectively referred to herein as "**SmartCentres**") are the registered and beneficial owner of at least 5% but less than 15% of the issued and outstanding Units and Special Voting Units of Calloway, in aggregate, it shall be entitled to appoint one trustee to the Board of Trustees of Calloway and the number of trustees on the Board of Trustees shall be limited to eight;

(b) for so long as SmartCentres is the registered and beneficial owner of at least 15% but less than 25% of the issued and outstanding Units and Special Voting Units of Calloway, in aggregate, it shall be entitled to appoint a total of two trustees to the Board of Trustees of Calloway and the number of trustees on the Board of Trustees shall be limited to a maximum of eight; and

(c) for so long as SmartCentres is the registered and beneficial owner of at least 25% of the issued and outstanding Units and Special Voting Units of Calloway, in aggregate, it shall be entitled to appoint a total of three trustees to the Board of Trustees of Calloway and the number of trustees on the Board of Trustees shall be limited to a maximum of nine.

Committees of Trustees

General

The Trustees may appoint from among their number one or more committees of Trustees and may, subject to applicable law and to any provision hereof to the contrary, delegate to such committee or committees any of the powers of the Trustees. The Trustees shall have the power to appoint, employ or contract with any person for any matter relating to Calloway or its assets or affairs. The Trustees may grant or delegate such authority to a property manager as the Trustees may, subject to applicable law, in their sole discretion deem necessary or desirable without regard to whether such authority is normally granted or delegated by trustees. The Trustees shall have the power to determine the term and compensation of a property manager or any other person whom they may employ or with whom they may contract. The Trustees shall have the power to grant powers of attorney as required in connection with any financing or security relating thereto.

Audit Committee

The Trustees shall appoint an audit committee (the "**Audit Committee**") to consist of not less than three Trustees. The Audit Committee shall be composed of Trustees who comply with the provisions of Multilateral Instrument 52-

110. Subject to the delegation to the Audit Committee of such other responsibilities as are determined by the Trustees from time to time and subject to such changes to its form and function as may be mandated by any relevant regulatory authorities, the Audit Committee shall:

(a) review Calloway's procedures for internal control with the external auditors and Calloway's Chief Financial Officer;

(b) review the engagement of the external auditors;

(c) review and recommend to the Trustees for approval annual and quarterly financial statements and management's discussion and analysis of financial condition and results of operation;

(d) assess Calloway's financial and accounting personnel; and

(e) review any significant transactions outside Calloway's ordinary course of business and all pending litigation involving Calloway.

The external auditors of Calloway are entitled to receive notice of every meeting of the Audit Committee and, at the expense of Calloway, to attend and be heard thereat and, if so requested by a member of the Audit Committee, shall attend any meeting of the Audit Committee held during the term of office of the external auditors.

Investment Committee

The Trustees shall appoint an investment committee (the "**Investment Committee**") to consist of not less than three Trustees and not more than five Trustees, a majority of whom shall be Outside Trustees, two of whom shall be Trustees appointed by SmartCentres for so long as SmartCentres is the registered and beneficial owner of in excess of 15% of the issued and outstanding Units and/or Special Voting Units of Calloway (unless the prior written consent to the contrary or a written waiver of SmartCentres is obtained) and two-thirds of whom shall have had at least 5 years of substantive experience in the real estate industry. The duties of the Investment Committee will be to:

(a) review all proposals regarding investments;

(b) review and approve or reject proposed acquisitions and dispositions of investments by Calloway or any of its subsidiaries or Affiliates;

(c) review and approve or reject proposed transactions on behalf of Calloway or any of its subsidiaries or Affiliates; and

(d) review and approve or reject all borrowings and the assumption or granting of any mortgage or other security interest in Real Property, including any assignment of rents and other monies derived from or related to Real Property, by Calloway or any of its subsidiaries and Affiliates.

Where for any reason a member of the Investment Committee is disqualified from voting on or participating in a decision, any other independent and disinterested Trustee not already a member of the Investment Committee may be designated by the Trustees to act as an alternate. Notwithstanding the appointment of the Investment Committee, the Trustees may consider and approve any matter which the Investment Committee has the authority to consider or approve.

Corporate Governance and Compensation Committee

The Trustees shall appoint a corporate governance and compensation committee (the "**Corporate Governance and Compensation Committee**") to consist of not less than three Trustees and not more than four Trustees, one of whom shall be a Trustee appointed by SmartCentres for so long as SmartCentres is the registered and beneficial owner of in excess of 15% of the issued and outstanding Units and/or Special Voting Units of Calloway (unless the prior written consent to the contrary or a written waiver of SmartCentres is obtained). The duties of the Corporate Governance and Compensation Committee will be to review the governance of Calloway with the responsibility for

Calloway's corporate governance, human resources and compensation policies. In particular, the Corporate Governance and Compensation Committee will be responsible for:

(a) assessing the effectiveness of the Board of Trustees and each of its committees;

(b) considering questions of management succession;

(c) participating in the recruitment and selection of candidates as Trustees of Calloway;

(d) considering and approving proposals by the Trustees of Calloway to engage outside advisers on behalf of the Board of Trustees of Calloway;

(e) administering Calloway's long term incentive plan;

(f) assessing the performance of the Chief Executive Officer;

(g) reviewing and approving the compensation of senior management and consultants of Calloway and its subsidiaries; and

(h) reviewing and making recommendations to the board concerning the level and nature of the compensation payable to the Trustees.

Where for any reason a member of the Corporate Governance and Compensation Committee is disqualified from voting on or participating in a decision, any other independent and disinterested Trustee not already a member of the Corporate Governance and Compensation Committee may be designated by the Trustees to act as an alternate. Notwithstanding the appointment of the Corporate Governance and Compensation Committee, the Trustees may consider and approve any matter which the Corporate Governance and Compensation Committee has authority to consider or approve.

Property Manager

The Trustees may exercise broad discretion in allowing any property manager to manage the Real Property of Calloway, including operating, maintaining, leasing and marketing the said properties, to act as agent for Calloway in respect thereof and to execute documents on behalf of the Trustees in respect thereof, all subject to the overriding authority of the Trustees over the management and affairs generally of Calloway.

Officers

Calloway may have a Chairman, a President, one or more Vice-Presidents and a Secretary and such other officers as the Trustees may appoint from time to time. One person may hold two or more offices. Any officer of Calloway may, but need not, be a Trustee. The Chairman, if not a Trustee, shall be entitled to receive notice of and attend all meetings of the Trustees but, unless he is a Trustee, shall not be entitled to vote at any such meeting. Officers of Calloway shall be appointed and discharged and their remuneration determined by the Trustees provided that the President shall be appointed on an annual basis and with the consent of not less than 75% of the Trustees.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time by meetings of the Unitholders called for such purpose. While certain amendments may be made with the approval of at least a majority of the votes cast by Unitholders, certain fundamental amendments require the approval of at least two-thirds of the votes cast by Unitholders.

The Trustees may, without the approval of or any notice to Unitholders, make amendments to the Declaration of Trust:

(a) for the purpose of ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over the Trustees or over Calloway, including respecting its status as a "unit trust" a "mutual fund trust" and a "registered investment" under the Tax Act or the distribution of its Units;

(b) which, in the opinion of the Trustees, provide additional protection for or benefit to the Unitholders;

(c) to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;

(d) which, in the opinion of the Trustees, are necessary or desirable as a result of changes in taxation laws from time to time, including, without limiting the generality of the foregoing, amendments which may affect Calloway, the Unitholders or annuitants under a plan of which a Unitholder acts as trustee or carrier or which may permit Calloway to qualify for any status under the Tax Act which would benefit Calloway or the Unitholders;

(e) for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required), if the Trustees are of the opinion that the amendment is not prejudicial to Unitholders and is necessary or desirable; and

(f) which, in the opinion of the Trustees, are necessary or desirable to enable Calloway to issue Units for which the purchase price is payable on an instalment basis.

Distribution Reinvestment Plan

Calloway has adopted a Distribution Reinvestment Plan that permits eligible Unitholders to elect to reinvest monthly distributions in additional Units. The price of Units issued under the Distribution Reinvestment Plan is based on the volume weighted average price for the sale of Units on the TSX during the ten days preceding the relevant distribution date (the "**Market Price**"). The purchase price of Units purchased with distributions under the Distribution Reinvestment Plan is equal to 97% of the Market Price. There are no commissions or brokerage charges payable on the purchase of Units under the Distribution Reinvestment Plan.

DISTRIBUTION POLICY

The following outlines the distribution policy of Calloway.

General

Calloway currently intends to make monthly distributions to Unitholders on each Distribution Date equal, on an annual basis, to approximately 85% to 95% of Adjusted Funds From Operations. Distributions shall be made in cash or Units pursuant to any distribution reinvestment plan adopted by the Trustees from time to time pursuant to the Declaration of Trust. Any distribution shall be made proportionately to persons who are Unitholders as at the close of business on the record date for such distribution, which shall be the last Business Day of the calendar month preceding the month in which the Distribution Date falls, or if such date is not a Business Day then the next following Business Day, or such other date, if any, as is fixed in accordance with the Declaration of Trust. Notwithstanding the foregoing, the ability of Calloway to make cash distributions is subject to various risk and uncertainties including those outlined in the "Risk Factors" section of this annual information form.

Distribution History

The particulars of distributions made by Calloway from January 1, 2007 to and including the period ending December 31, 2009 are as follows:

Distribution	Payment Date	Amount of Distribution	Portion of Distribution per Unit Taxable as Capital Gain	Portion of Distribution per Unit Taxable as Income
2007				
January	February 15, 2007	$0.12500 per Unit	0.0%	45.3%
February	March 15, 2007	$0.12500 per Unit	0.0%	45.3%
March	April 16, 2007	$0.12500 per Unit	0.0%	45.3%
April	May 15, 2007	$0.12500 per Unit	0.0%	45.3%
May	June 15, 2007	$0.12500 per Unit	0.0%	45.3%
June	July 16, 2007	$0.12500 per Unit	0.0%	45.3%
July	August 15, 2007	$0.12500 per Unit	0.0%	45.3%
August	September 17, 2007	$0.12900 per Unit	0.0%	45.3%
September	October 15, 2007	$0.12900 per Unit	0.0%	45.3%
October	November 15, 2007	$0.12900 per Unit	0.0%	45.3%
November	December 17, 2007	$0.12900 per Unit	0.0%	45.3%
December	January 15, 2007	$0.12900 per Unit	0.0%	45.3%
2008				
January	February 15, 2008	$0.12900 per Unit	30.1%	53.6%
February	March 17, 2008	$0.12900 per Unit	30.1%	53.6%
March	April 15, 2008	$0.12900 per Unit	30.1%	53.6%
April	May 15, 2008	$0.12900 per Unit	30.1%	53.6%
May	June 16, 2008	$0.12900 per Unit	30.1%	53.6%
June	July 15, 2008	$0.12900 per Unit	30.1%	53.6%
July	August 15, 2008	$0.12900 per Unit	30.1%	53.6%
August	September 15, 2008	$0.12900 per Unit	30.1%	53.6%
September	October 15, 2008	$0.12900 per Unit	30.1%	53.6%
October	November 17, 2008	$0.12900 per Unit	30.1%	53.6%
November	December 15, 2008	$0.12900 per Unit	30.1%	53.6%
December	January 15, 2009	$0.12900 per Unit	30.1%	53.6%
2009				
January	February 17, 2009	$0.12900 per Unit	0.0%	36.6%
February	March 16, 2009	$0.12900 per Unit	0.0%	36.6%
March	April 15, 2009	$0.12900 per Unit	0.0%	36.6%
April	May 15, 2009	$0.12900 per Unit	0.0%	36.6%
May	June 15, 2009	$0.12900 per Unit	0.0%	36.6%
June	July 15, 2009	$0.12900 per Unit	0.0%	36.6%
July	August 17, 2009	$0.12900 per Unit	0.0%	36.6%
August	September 15, 2009	$0.12900 per Unit	0.0%	36.6%
September	October 15, 2009	$0.12900 per Unit	0.0%	36.6%
October	November 16, 2009	$0.12900 per Unit	0.0%	36.6%
November	December 15, 2009	$0.12900 per Unit	0.0%	36.6%
December	January 15, 2010	$0.12900 per Unit	0.0%	36.6%

DESCRIPTION OF OTHER SECURITIES

6% Convertible Debentures

On May 14, 2004, Calloway completed a public offering of $55,000,000 principal amount of 6.00% convertible unsecured subordinated debentures (the "**6% Convertible Debentures**"). The 6% Convertible Debentures are direct unsecured obligations of Calloway and are subordinated to all indebtedness of Calloway which, by the terms of the instrument creating or evidencing the indebtedness, is not expressed to be *pari passu* with, or subordinate in right of payment to, the 6% Convertible Debentures. The 6% Convertible Debentures mature on June 30, 2014 and interest is paid semi-annually on June 30 and December 31 in each year. The 6% Convertible Debentures are convertible at the holder's option into Units at any time prior to the earlier of the maturity date and the date fixed for redemption at a conversion price of $17.00 per Unit. The 6% Convertible Debentures are not redeemable on or before June 30, 2008. After June 30, 2008 and prior to June 30, 2010, the 6% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option provided that the 20-day weighted average market price for the Units on the TSX is not less than 125% of the conversion price. On or after June 30, 2010 and prior to the maturity date, the 6% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option at a price equal to their principal amount plus accrued and unpaid interest. Calloway may satisfy its obligation to pay principal or interest on the debentures, in whole or in part, by delivering Units. In the event that Calloway so elects to satisfy its obligation to pay the principal amount of the 6% Convertible Debentures with Units, the number of Units will be determined by dividing the principal amount by 95% of the market price on the TSX for the Units at that time. As at December 31, 2009, $4,815,000 principal amount of 6% Convertible Debentures remained outstanding.

4.51% Debentures

On September 22, 2005, Calloway issued $200,000,000 principal amount of 4.51% Series A senior unsecured debentures (the "**4.51% Debentures**") due September 22, 2010. The 4.51% Debentures are direct, senior unsecured obligations of Calloway and rank equally with one another and with all other unsecured and unsubordinated indebtedness of Calloway. The 4.51% Debentures bear interest at an annual rate of 4.51% payable semi-annually in arrears on March 22 and September 22 in each year. At its option, Calloway may redeem the 4.51% Debentures, in whole or in part, at any time and from time to time, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case with accrued and unpaid interest to the date fixed for redemption. As at December 31, 2009, $46,452,000 principal amount of 4.51% Debentures remained outstanding.

5.37% Debentures

On October 12, 2006, Calloway issued $250,000,000 principal amount of 5.37% Series B senior unsecured debentures (the "**5.37% Debentures**") due October 12, 2016. The 5.37% Debentures are direct, senior unsecured obligations of Calloway and rank equally with one another and with all other unsecured and unsubordinated indebtedness of Calloway. The 5.37% Debentures bear interest at an annual rate of 5.37% payable semi-annually in arrears on April 12 and October 12 in each year. At its option, Calloway may redeem the 5.37% Debentures, in whole or in part, at any time and from time to time, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case with accrued and unpaid interest to the date fixed for redemption. As at December 31, 2009, $250,000,000 principal amount of 5.37% Debentures remains outstanding.

6.65% Convertible Debentures

On May 2, 2008, Calloway completed a public offering of $125,000,000 principal amount of 6.65% convertible unsecured subordinated debentures (the "**6.65% Convertible Debentures**"). The 6.65% Convertible Debentures are direct unsecured obligations of Calloway and are subordinated to all indebtedness of Calloway which, by the terms of the instrument creating or evidencing the indebtedness, is not expressed to be *pari passu* with, or subordinate in right of payment to, the 6.65% Convertible Debentures. The 6.65% Convertible Debentures mature on June 30, 2013 and interest is paid semi-annually on June 30 and December 31 in each year. The 6.65% Convertible Debentures are convertible at the holder's option into Units at any time prior to the earlier of the maturity date and the date fixed for redemption at a conversion price of $25.25 per Unit. The 6.65% Convertible Debentures are not redeemable on or before June 30, 2011. After June 30, 2011 and prior to June 30, 2012, the 6.65% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option provided that the 20-day weighted average market price for the Units on the TSX is not less than 125% of the conversion price. On or after June 30, 2012 and prior to the maturity date, the 6.65% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option at a price equal to their principal amount plus accrued and unpaid interest. Calloway may satisfy its obligation to pay principal or interest on the debentures, in whole or in part, by delivering Units. In the event that Calloway so elects to satisfy its obligation to pay the principal amount of the 6.65% Convertible Debentures with Units, the number of Units will be determined by dividing the principal amount by 95% of the market price on the TSX for the Units at that time. As at December 31, 2009, $125,000,000 principal amount of 6.65% Convertible Debentures remained outstanding.

10.25% Debentures

On April 8, 2009, Calloway issued $150,000,000 principal amount of 10.25% Series C senior unsecured debentures (the "**10.25% Debentures**") due April 14, 2014. The 10.25% Debentures are direct, senior unsecured obligations of Calloway and rank equally with one another and with all other unsecured and unsubordinated indebtedness of Calloway. The 10.25% Debentures bear interest at an annual rate of 10.25% payable semi-annually in arrears on April 14 and October 14 in each year. At its option, Calloway may redeem the 10.25% Debentures, in whole or in part, at any time and from time to time, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case with accrued and unpaid interest to the date fixed for redemption. As at December 31, 2009, $150,000,000 principal amount of 10.25% Debentures remained outstanding.

7.95% Debentures

On June 30, 2009, Calloway issued $75,000,000 principal amount of 7.95% Series D senior unsecured debentures (the "**7.95% Debentures**") due June 30, 2014. The 7.95% Debentures are direct, senior unsecured obligations of Calloway and rank equally with one another and with all other unsecured and unsubordinated indebtedness of Calloway. The 7.95% Debentures bear interest at an annual rate of 7.95% payable semi-annually in arrears on June 30 and December 30 in each year. At its option, Calloway may redeem the 7.95% Debentures, in whole or in part, at any time and from time to time, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case with accrued and unpaid interest to the date fixed for redemption. As at December 31, 2009, $75,000,000 principal amount of 7.95% Debentures remained outstanding.

5.75% Convertible Debentures

On January 5, 2010, Calloway completed a public offering of 2,100,000 units at a price of $19.05 per unit as well as $60,000,000 principal amount of 5.75% convertible unsecured subordinated debentures (the "**5.75% Convertible Debentures**"). The 5.75% Convertible Debentures are direct unsecured obligations of Calloway and are subordinated to all indebtedness of Calloway which, by the terms of the instrument creating or evidencing the indebtedness, is not expressed to be *pari passu* with, or subordinate in right of payment to, the 5.75% Convertible Debentures. The 5.75% Convertible Debentures mature on June 30, 2017 and interest is paid semi-annually on June 30 and December 31 in each year. The 5.75% Convertible Debentures are convertible at the holder's option into Units at any time prior to the earlier of the maturity date and the date fixed for redemption at a conversion price of $25.75 per Unit. The 5.75% Convertible Debentures are not redeemable on or before June 30, 2013. After June 30, 2013 and prior to June 30, 2015, the 5.75% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option provided that the 20-day weighted average market price for the Units on the TSX is not less than 125% of the conversion price. On or after June 30, 2015 and prior to the maturity date, the 5.75% Convertible Debentures may be redeemed in whole or in part from time to time at Calloway's option at a price equal to their principal amount plus accrued and unpaid interest. Calloway may satisfy its obligation to pay principal or interest on the debentures, in whole or in part, by delivering Units. In the event that Calloway so elects to satisfy its obligation to pay the principal amount of the 5.75% Convertible Debentures with Units, the number of Units will be determined by dividing the principal amount by 95% of the market price on the TSX for the Units at that time.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Investment Guidelines

The Declaration of Trust provides for certain restrictions on investments, which may be made by Calloway. The assets of Calloway may be invested only in accordance with the following restrictions:

1. Calloway will focus its acquisition activities on existing income-producing properties that are capital property of Calloway, including office, retail, industrial and mixed use properties, that are substantially leased;

2. notwithstanding anything in the Declaration of Trust to the contrary, Calloway shall not make any investment or take any action or omit to take any action that would result in Units not being units of a

"mutual fund trust" and of a "unit trust" within the meaning of the *Income Tax Act* (Canada), that would result in Units being disqualified for investment by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans or registered education savings plans, or that would result in Calloway paying a tax under the registered investment provisions of the *Income Tax Act* (Canada) imposed for exceeding certain investment limits;

3. Calloway may, directly or indirectly, invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by Calloway, provided that such joint venture arrangement contains terms and conditions which, in the opinion of the Trustees, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on transfer and the acquisition and sale of Calloway's and any joint venturer's interest in the joint venture arrangement, provisions to provide liquidity to Calloway, such as buy-sell mechanisms, provisions that limit the liability of Calloway to third parties, and provisions that provide for the participation of Calloway in the management of the joint venture arrangement. For purposes of this provision, a joint venture arrangement is an arrangement between Calloway and one or more other persons ("**joint venturers**") pursuant to which Calloway, directly or indirectly, conducts an undertaking for one or more of the purposes set out above and in respect of which Calloway 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 (a "**joint venture entity**"), including without limitation a general partnership, limited partnership or limited liability company;

4. 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 in money market instruments of, or guaranteed by, a Schedule 1 Canadian chartered bank maturing prior to one year from the date of issue, Calloway may not hold securities other than securities of a joint venture entity, trust or limited partnership or an entity or corporation wholly owned by Calloway formed and operated for the purpose of holding a particular Real Property or Real Properties or for any other purpose relating to the activities of Calloway, and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, Calloway may acquire securities of other real estate investment trusts;

5. except as otherwise prohibited in the Declaration of Trust, Calloway may invest in interests (including fee ownership and leasehold interests) in income-producing Real Property that is capital property of Calloway;

6. Calloway shall not acquire any single investment in real property (whether directly or indirectly through its interest in a trust, limited partnership or corporation) if the cost to Calloway of such acquisition (including encumbrances assumed) will exceed 20% of the Gross Book Value calculated following such purchase;

7. Calloway shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in Real Property that is capital property of Calloway;

8. Calloway shall not invest directly in operating businesses unless such investment is through a corporation, limited partnership or trust;

9. subject to section 2, Calloway may invest directly in raw land for development properties adjacent to existing properties of Calloway provided such investment is through a corporation, limited partnership or trust established for the purpose of (i) the renovation or expansion of existing facilities that are capital property of Calloway, or (ii) the development of new facilities which will be capital property of Calloway;

10. Calloway may invest in mortgages or mortgage bonds (including, with the consent of a majority of the Trustees, a participating or convertible mortgage) where:

    10.1 the Real Property which is security therefore is income-producing Real Property which otherwise meets the general investment guidelines of Calloway adopted by the Trustees from time to time in accordance with the Declaration of Trust and the restrictions set out therein; and

10.2 the aggregate value of the investments of Calloway in these mortgages, after giving effect to the proposed investment, will not exceed 20% of the Adjusted Unitholders' Equity;

11. Calloway may invest in mortgages if the primary intention is to use the acquisition of the mortgages as a method of acquiring control of income-producing Real Property which would otherwise meet the investment guidelines of Calloway and provided the aggregate value of the investments of Calloway in these mortgages, after giving effect to the proposed investment, will not exceed 20% of the Adjusted Unitholders' Equity; and

12. subject to section 2 above, Calloway 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 indebtedness assumed or incurred by Calloway and secured by a mortgage on such property) of up to 15% of the Adjusted Unitholders' Equity of Calloway in investments or transactions which do not comply with sections 4, 5, 10 and 11 above or section 3 under the heading "Investment Guidelines and Operating Policies – Operating Policies".

For the purpose of the foregoing guidelines, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by Calloway will be deemed to be those of Calloway 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. Nothing in the guidelines prohibits Calloway from holding or assigning some or all of the receivables due pursuant to any instalment receipt agreement.

Except as specifically set forth herein to the contrary, all of the foregoing prohibitions, limitations or requirements for investment shall be determined as at the date of investment by Calloway.

Operating Policies

The Declaration of Trust provides that the operations and affairs of Calloway will be conducted in accordance with the following policies:

1. (i) any written instrument creating an obligation which is or includes the granting by Calloway of a mortgage, and (ii) to the extent the Trustees determine to be practicable and consistent with their duty to act in the best interests of the Unitholders, any written instrument which is, in the judgement 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 shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of the Trustees, Unitholders, annuitants under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of Calloway, but that only property of Calloway or a specific portion thereof shall be bound; Calloway, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Calloway upon the acquisition of Real Property;

2. Calloway shall not lease or sublease to any person 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 20% of the Adjusted Unitholders' Equity of Calloway;

3. the limitation contained in subsection 2 shall not apply to the renewal or extension of a lease or sublease and shall not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed (or an indemnity has been given) by:

   3.1 the Government of Canada, the Government of the United States, any province of Canada, any state of the United States or any municipality in Canada or the United States, or any agency thereof;

   3.2 any corporation, the bonds, debentures or other evidences of indebtedness of, or guaranteed by which, has received a rating from Standard & Poor's of no less than investment grade (or equivalent from any other recognized credit rating agency) in each case, at the time the lease or sublease is entered into, or at the time other satisfactory leasing arrangements as determined by the Trustees, in their discretion, are entered into;

3.3 a Canadian chartered bank registered federally or under the laws of a province of Canada; or

3.4 Wal-Mart Canada Corp. and its related associates and affiliates.

4. Calloway may engage directly in construction or development to maintain its properties in good repair or to enhance the income producing ability of properties in which Calloway has an interest;

5. title to each Real Property shall be drawn up in the name of the Trustees or, to the extent permitted by applicable law, Calloway or a corporation or other entity wholly owned, directly or indirectly, by Calloway or jointly, directly or indirectly, by Calloway with joint venturers;

6. Calloway will not incur or assume any indebtedness if, after the incurring or assuming of the indebtedness, the total indebtedness of Calloway would be more than 60% of the Gross Book Value (65% if convertible debentures are outstanding). The Trustees may in their discretion use Fair Market Value in place of Gross Book Value for the purposes of this subsection. For the purposes of this subsection the term "**indebtedness**" means (without duplication and excluding "non-controlling interests") on a consolidated basis:

6.1 any obligation of Calloway for borrowed money;

6.2 any obligation of Calloway incurred in connection with the acquisition of property, assets or business;

6.3 any obligation of Calloway issued or assumed as the deferred purchase price of property;

6.4 any capital lease obligation of Calloway; and

6.5 any obligation of the type referred to in clauses 6.1 through 6.4 of another person, the payment of which Calloway has guaranteed or for which Calloway is responsible for or liable;

provided that (a) for the purposes of 6.1 through 6.4, an obligation (other than convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of Calloway in accordance with generally accepted accounting principles; (b) obligations referred to in clauses 6.1 through 6.3 exclude trade accounts payable, distributions payable to Unitholders and accrued liabilities arising out of the ordinary course of business; and (c) convertible debentures will constitute indebtedness to the extent of the principal amount thereof outstanding;

7. Calloway shall not incur debt aggregating more than 20% of Gross Book Value (other than unsecured trade payables, accrued expenses and distributions payable) at floating interest rates or having a maturity of less than one year, not including term debt falling due in the next twelve months or variable rate debt for which Calloway has entered into interest rate swap agreements to fix the interest rate for a one year period or greater;

8. Calloway may directly or indirectly guarantee indebtedness or liabilities of a third party provided that such guarantee is related to the direct or indirect ownership or acquisition by Calloway of Real Property that would otherwise comply with the investment restrictions and operating guidelines set forth herein under the heading "Investment Guidelines and Operating Policies";

9. Calloway shall be obliged to obtain an independent appraisal of any property acquired by Calloway that the Investment Committee determined, in its discretion, should be supported by an independent appraisal;

10. Calloway shall obtain and maintain at all times insurance coverage in respect of potential liabilities of Calloway and the accidental loss of value of the assets of Calloway from risks, in amounts, with such

insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties; and

11. Calloway shall have conducted a Phase I environmental audit of each Real Property to be acquired by it and, if the Phase I environmental audit report recommends a Phase II environmental audit be conducted, Calloway shall have conducted a Phase II environmental audit, in each case by an independent and experienced environmental consultant; such audit as a condition to any acquisition, shall be satisfactory to the Trustees. All new leases granted by Calloway shall contain appropriate covenants from the lessee respecting environmental matters as determined by the Trustees from time to time.

For the purposes of the foregoing policies, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by Calloway will be deemed to be those of Calloway 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.

All of the foregoing prohibitions, limitations or requirements pursuant to the foregoing policies shall be determined as at the date of investment or other action by Calloway.

MARKET FOR SECURITIES, TRADING PRICE AND VOLUME

Units

The Units of Calloway are listed and posted for trading on the TSX under the trading symbol "CWT.UN". The following table sets forth the reported high and low sales prices and the trading volumes for the Units as reported by the TSX for the period indicated:

	Price Range		
	High	**Low**	**Trading Volume**
2009			
January	$12.79	$10.85	4,030,137
February	$11.78	$10.05	2,527,201
March	$10.70	$8.91	2,977,876
April	$10.93	$9.81	4,863,824
May	$13.81	$10.50	5,114,494
June	$14.55	$12.46	6,268,204
July	$14.62	$12.04	5,440,367
August	$17.49	$14.10	6,620,021
September	$19.96	$15.83	5,421,671
October	$19.00	$17.20	3,873,800
November	$19.02	$17.35	3,085,958
December	$19.75	$18.60	3,413,908
Total for Periods			**53,637,461**

6% Convertible Debentures

The 6% Convertible Debentures of Calloway are listed and posted for trading on the TSX under the trading symbol "CWT.DB". The following table sets forth the reported high and low sales prices, the volume traded and the value traded for the 6% Convertible Debentures as reported by the TSX for the periods indicated:

	Price Range			
	High	**Low**	**Volume Traded**	**Value Traded**
2009				
January	$92.00	$83.65	590	53,528.50
February	$96.00	$92.00	340	31,990.00
March	$96.00	$95.00	110	10,470.00
April	$98.00	$94.00	430	41,140.00

	Price Range			
	High	Low	Volume Traded	Value Traded
May...	$100.00	$92.00	1060	102,200.00
June...	$100.00	$100.00	1310	131,000.00
July	$102.00	$101.00	500	50,800.00
August...	$105.00	$105.00	10	1,050.00
September	$110.00	$105.00	910	98,911.70
October	$109.98	$105.00	1,250	132,951.10
November	$113.00	$104.12	1,090	119,467.30
December....................................	$115.71	$111.62	930	104,979.40
Total for Periods			**8,530**	**878,488.00**

6.65% Convertible Debentures

The 6.65% Convertible Debentures of Calloway are listed and posted for trading on the TSX under the trading symbol "CWT.DB.A". The following table sets forth the reported high and low sales prices, the volume traded and the value traded for the 6.65% Convertible Debentures as reported by the TSX for the periods indicated:

	Price Range			
	High	Low	Volume Traded	Value Traded
2009				
January...	$98.00	$82.60	8,090	741,300.00
February.......................................	$97.00	$82.10	12,710	1,173,140.00
March...	$97.50	$88.00	10,570	973,598.00
April...	$99.99	$93.50	14,230	1,362,852.00
May..	$100.00	$96.00	12,340	1,206,088.00
June..	$99.89	$96.00	21,410	2,114,091.00
July	$102.00	$98.50	12,560	1,259,589.00
August	$103.00	$100.00	10,160	1,034,635.00
September	$103.25	$101.00	20,400	2,086,234.00
October	$104.00	$101.25	12,630	1,294,382.80
November	$104.50	$102.40	7,480	771,802.30
December.....................................	$104.10	$102.50	11,130	1,151,480.00
Total for Periods			**153,710**	**15,169,192.10**

5.75% Convertible Debentures

The 5.75% Convertible Debentures are listed and posted for trading on the TSX under the trading symbol "CWT.DB.B". The following table sets forth the reported high and low sales prices, the volume traded and the value traded for the 5.75% Debentures as reported by the TSX for the periods indicated:

	Price Range			
	High	Low	Volume Traded	Value Traded
2010				
January 5-31[(1)].............................	$99.99	$98.50	66,380	6,601,154.40
Total for Periods			**66,380**	**6,601,154.40**

Note:

(1) The 5.75% Convertible Debentures commenced trading on the TSX on January 5, 2010.

RISK FACTORS

An investment in securities of Calloway involves a number of risks and uncertainties. This section describes the general material risks that management of Calloway believes may impact Calloway and the holders of its securities. If any of the following risks actually occur, Calloway's business, results of operations and financial condition, and the amount of cash available for distribution to Unitholders, could suffer. Further, the risks described below are not the only risks that Calloway faces. Additional risks not currently known to management of Calloway or that are currently deemed immaterial also may have a negative impact on Calloway and the holders of its securities.

Risks Relating to the Business

Real Property Ownership

All real property investments are subject to elements of risk. Such investments are affected by general economic conditions, local real estate markets, supply and demand for leased premises, competition from other available premises and various other factors. The nature of real property ownership involves competing against other landlords that may have greater resources or expertise than Calloway.

Real estate has a high fixed cost associated with ownership, and income lost due to declining rental rates or increased vacancies cannot easily be minimized through cost reduction. Through well-located, well-designed and professionally managed properties, management seeks to reduce this risk. Management believes prime locations will attract high quality retailers with excellent covenants and will enable the Trust to maintain economic rents and high occupancy. By maintaining the property at the highest standard through professional management practices, management seeks to increase tenant loyalty.

The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants and upon the vacancy rates of Calloway's portfolio of income producing properties. Calloway's Adjusted Funds From Operations would be adversely affected if a significant number of tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in the properties in which Calloway has an interest were not able to be leased on economically favourable lease terms. In addition, the Adjusted Funds From Operations of Calloway would be adversely affected by increased vacancies in Calloway's portfolio of income producing properties. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable to Calloway than the existing lease. In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting Calloway's investment may be incurred. Furthermore, at any time, a tenant of any of Calloway's properties may seek the protection of bankruptcy, insolvency or similar laws that could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the cash flow available to Calloway. The ability to rent unleased space in the properties in which Calloway has an interest will be affected by many factors. Costs may be incurred in making improvements or repairs to property. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on Calloway's financial condition.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. If Calloway is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

Real property investments tend to be relatively illiquid with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. If Calloway were to be required to liquidate its real property investments, the proceeds to Calloway might be significantly less than the aggregate carrying value of its properties.

Calloway will be subject to the risks associated with debt financing on its properties and it may not be able to refinance its properties on terms that are as favourable as the terms of existing indebtedness. In order to minimize this risk, Calloway attempts to appropriately structure the timing of the renewal of significant tenant leases on the properties in relation to the time at which mortgage indebtedness on such properties becomes due for refinancing.

Calloway is reliant on the retail shopping centre market in general and on Wal-Mart in particular in meeting its financial targets. Significant deterioration of the retail shopping centre market in general or the financial health of Wal-Mart in particular could have an adverse effect on Calloway's business, financial condition or results of operations.

Debt Financing

As at December 31, 2009, Calloway had outstanding indebtedness of approximately $2,726.7 million, of which approximately $1,524.0 million was principal payments and debt maturing prior to January 1, 2015. In addition, approximately 4.5% of Calloway's indebtedness, as a percentage of Gross Book Value, was variable rate debt as at December 31, 2009. See "Overview of the Property Portfolio - Financing".

The ability of Calloway to make cash distributions or make other payments or advances is subject to applicable laws and contractual restrictions contained in the instruments governing its indebtedness. The degree to which Calloway is leveraged could have important consequences to the holders of its securities, including: that Calloway's ability to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; that a significant portion of Calloway's cash flow from operations may be dedicated to the payment of the principal of and interest on its indebtedness, thereby reducing funds available for future operations and distributions; that certain of Calloway's borrowings may be at variable rates of interest, which exposes it to the risk of increased interest rates; and that Calloway may be vulnerable to economic downturns including Calloway's ability to retain and attract tenants. Also, there can be no assurance that Calloway will continue to generate sufficient cash flow from operations to meet required interest and principal payments. Further, Calloway is subject to the risk that any of its existing indebtedness may not be able to be refinanced upon maturity or that the terms of such financing may not be as favourable as the terms of its existing indebtedness. These factors may adversely affect Calloway's cash distributions.

Calloway's various credit facilities provide lenders with first charge security interests on most of the income producing properties in its portfolio. These credit facilities contain numerous terms and covenants that limit the discretion of management with respect to certain business matters. These covenants place restrictions on, among other things, the ability of Calloway to create liens or other encumbrances, to make certain payments, investments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the credit facilities contain a number of financial covenants that require Calloway to meet certain financial ratios and financial condition tests. For example, certain of Calloway's loans require specific loan to value and debt service coverage ratios which must be maintained by Calloway. A failure to comply with the obligations in the credit facilities could result in a default which, if not cured or waived, could result in acceleration of the relevant indebtedness. If the indebtedness under the credit facilities were to be accelerated, there can be no assurance that the assets of Calloway would be sufficient to repay that indebtedness in full.

Interest and Financing Risk

In the low interest rate environment that the Canadian economy has experienced in recent years, leverage has enabled Calloway to enhance its return to Unitholders. A reversal of this trend, however, can significantly affect Calloway's ability to meet its financial obligations. In order to minimize this risk, Calloway's policy is to negotiate fixed-rate term debt with staggered maturities on the portfolio and match average lease maturity to average debt maturity. Derivative financial instruments may be utilized by Calloway in the management of its interest rate exposure. Calloway's policy is not to utilize derivative financial instruments for trading or speculative purposes. In addition, Calloway's Declaration of Trust restricts total indebtedness permitted on the portfolio.

Interest rate changes will also affect Calloway's development portfolio. Calloway has entered into development agreements that obligate Calloway to acquire up to approximately 2.7 million square feet of additional income properties at a cost determined by capitalizing the rental income at pre-determined rates. Subject to the ability to obtain financing on acceptable terms, Calloway anticipates that it will finance these acquisitions by issuing additional debt and equity. Changes in interest rates will have an impact on the return from these acquisitions and, should the rate exceed the capitalization rate used, could result in a purchase being non-accretive. This risk is mitigated as Calloway has certain rights of approval over the developments.

Operating facilities and development loans exist that are priced at a risk premium over short-term rates. Changes in short-term interest rates will have an impact on the cost of funds. In addition, there is a risk that the lenders will not refinance upon maturity. By restricting the amount of variable interest rate debt and the short-term debt, Calloway has minimized the impact on financial performance.

During 2007, access to long-term financing was negatively impacted by both sub-prime mortgages and the asset-backed commercial paper markets. Mortgage lenders are prepared to finance on a secured basis at lower debt ratios and at higher cost. The all-in cost of debt has not increased significantly as a result of lower bond yields. Due to the quality and location of Calloway's real estate, management is confident that Calloway will be able to meet its financial requirements in 2010. Calloway issued $225.0 million unsecured debentures during the quarter ended June 30, 2009 and raised $50 million in new equity during the quarter ended September 30, 2009, which addresses the previous concern pertaining to the refinancing of $200.0 million (now $46.5 million) unsecured debentures maturing in September 2010. In addition, on January 5, 2010, Calloway issued $60 million of 5.75% convertible unsecured subordinated debentures and 2.1 million Units at a price of $19.05 per Unit to raise, in aggregate, gross proceeds of approximately $100,005,000 ($96,155,000 net proceeds). See "Capital Requirements".

Capital Requirements

Calloway accesses the capital markets from time to time through the issuance of debt, equity or equity related securities. If Calloway were unable to raise additional funds or renew existing maturing debt on favourable terms, then acquisition or development activities may be curtailed, asset sales accelerated, property specific financing, purchase and development agreements re-negotiated, and monthly cash distributions reduced or suspended. However, Calloway anticipates accessing the capital markets on favourable terms due to its high occupancy levels and low lease maturities, combined with strong national tenants in prime retail locations.

Credit Risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. Calloway mitigates this risk of credit loss by reviewing tenants' covenants, ensuring its tenant mix is diversified and by limiting its exposure to any one tenant, except Wal-Mart Canada Corp. Further risks arise in the event that borrowers may default on the repayment of amounts owing to Calloway. Calloway endeavours to ensure adequate security has been provided in support of mortgages and loans receivable. The failure of Calloway's tenants or borrowers to pay Calloway amounts owing on a timely basis or at all would have an adverse effect on Calloway's financial condition.

General Uninsured Losses

Calloway carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks, generally of a catastrophic nature, such as wars or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Calloway has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, Calloway could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but Calloway would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

Development Risks

Development risk arises from the possibility that developed space will not be leased or that costs of development will exceed original estimates, resulting in an uneconomic return from the leasing of such developments. Calloway mitigates this risk by not commencing construction of any development until sufficient lease-up has occurred and by entering into fixed price contracts for development costs.

Competition for Real Property Investments

Over the long term, to the extent that opportunities exist and to the extent that management and the Board of Trustees of Calloway believe such opportunities are beneficial to Unitholders, Calloway intends to expand its asset base and increase Adjusted Funds From Operations by pursuing an external growth strategy. Calloway intends to actively seek accretive acquisitions in its existing and adjacent markets and in new Canadian markets that present opportunities for favourable returns. However, Calloway competes for suitable real property investments with individuals, corporations, other real estate investment trusts and similar vehicles, and institutions (both Canadian and foreign) which are presently seeking or which may seek in the future real property investments similar to those desired by Calloway. As such, there can be no guarantee that Calloway will be successful in making such acquisitions.

Environmental Matters

As an owner of real property, Calloway will be subject to various federal, provincial, territorial and municipal laws relating to environmental matters. Such laws provide that Calloway could be liable for the costs of removal of certain hazardous substances and remediation of certain hazardous locations. The failure to remove or remediate such substances or locations, if any, could adversely affect Calloway's ability to sell such real estate or to borrow using such real estate as collateral and could potentially also result in claims against Calloway. Calloway is not aware of any material non-compliance with environmental laws at any of its properties. Calloway is also not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of its properties or any pending or threatened claims relating to environmental conditions at its properties. Calloway has policies and procedures to review and monitor environmental exposure. It is Calloway's operating policy to obtain a Phase I environmental assessment on all properties prior to acquisition. Further investigation is conducted if the Phase 1 assessments indicate a problem. In addition, the standard lease requires compliance with environmental laws and regulations and restricts tenants from carrying on environmentally hazardous activities or having environmentally hazardous substances on site. Calloway has obtained environmental insurance on certain assets to further manage risk.

Calloway will make the necessary capital and operating expenditures to ensure compliance with environmental laws and regulations. Although there can be no assurances, Calloway does not believe that costs relating to environmental matters will have a material adverse effect on Calloway's business, financial condition or results of operations. However, environmental laws and regulations can change and Calloway may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have an adverse effect on Calloway's business, financial condition or results of operation.

Potential Conflicts of Interest

Calloway may be subject to various conflicts of interest because of the fact that the Trustees and executive management, and their associates, are engaged in a wide range of real estate and other business activities. Calloway may become involved in transactions which conflict with the interests of the foregoing. The Trustees, executive management and their associates or affiliates may from time to time deal with persons, firms, institutions or corporations with which Calloway may be dealing, or which may be seeking investments similar to those desired by Calloway. The interests of these persons could conflict with those of Calloway. In addition, from time to time, these persons may be competing with Calloway for available investment opportunities. The Declaration of Trust contains "conflicts of interest" provisions requiring Trustees to disclose material interests in material contracts and transactions and refrain from voting. See "Management of Calloway – Conflict of Interest Restrictions and Provisions".

Reliance on Key Personnel

Management of Calloway depends on the services of certain key personnel. Investors who are not prepared to rely on this management should not invest in Units. The loss of the services of key personnel could have an adverse effect on Calloway. Calloway does not have key man insurance on any of its key employees.

Trustees

The Trustees, with the exception of Simon Nyilassy, will not devote their full time and attention to the affairs of Calloway. In addition, SmartCentres has the ability to appoint members to the Board of Trustees and certain committees of the Board of Trustees disproportionate to their relative percentage ownership in Trust Units. See “Declaration of Trust and Description of Units - Trustees”.

Risks Relating to the Units

Potential Volatility of Unit Prices

The price for the Units could be subject to wide fluctuations in response to quarter-to-quarter variations in operating results, the gain or loss of significant properties, changes in income estimates by analysts and market conditions in the industry, as well as general economic conditions or other risk factors set out herein. In addition, stock markets have experienced volatility that has affected the market prices for many issuers’ stocks and that often has been unrelated to the operating performance of such issuers. These market fluctuations may adversely affect the market price of the Units.

A publicly traded real estate investment trust will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. Accordingly, the Units may trade at a premium or a discount to the underlying value of Calloway’s real estate assets.

One of the factors that may influence the market price of the Units is market interest rates relative to the monthly cash distributions of Calloway to the Unitholders. An increase in market interest rates or a decrease in monthly cash distributions by Calloway could adversely affect the market price of the Units. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of Calloway.

Cash Distributions are Not Guaranteed and will Fluctuate with Calloway’s Performance

A return on an investment in Units of Calloway is not comparable to the return on an investment in a fixed-income security. The recovery of an investment in Units is at risk, and any anticipated return on an investment in Units is based on many performance assumptions.

Although Calloway intends to make distributions of a significant percentage of its available cash to its Unitholders, these cash distributions are not assured and may be reduced or suspended. The ability of Calloway to make cash distributions and the actual amount distributed will be dependant upon, among other things, the financial performance of the properties in its Property Portfolio, its debt covenants and obligations, its working capital requirements and its future capital requirements. In addition, the market value of the Units may decline for a variety of reasons including if Calloway is unable to meet its cash distribution targets in the future, and that decline may be significant.

It is important for a person making an investment in Units of Calloway to consider the particular risk factors that may affect both Calloway and the real estate industry in which Calloway operates and which may therefore affect the stability of the cash distributions on the Units of Calloway. See the other risk factors set out in this section which describes Calloway’s assessment of those risk factors, as well as the potential consequences to a Unitholder if a risk should occur. Also see the section of this annual information form entitled “Ratings on Securities”.

Return of Capital

The after-tax return from an investment in Units to Unitholders that is subject to Canadian income tax can be made up of both a “return on” and a “return of” capital. That composition may change over time, thus affecting a Unitholder’s after-tax return. Returns on capital are generally taxed as ordinary income, capital gains or as dividends in the hands of a Unitholder. Returns of capital are generally tax-deferred (and reduce the Unitholder’s cost base in the unit for tax purposes).

Availability of Cash Flow

Cash distributions to Unitholders may be reduced from time to time if such distributions would exceed the cash obligations of Calloway from time to time due to items such as principal repayments, tenant allowances, leasing commissions and capital expenditures and redemption of Units, if any. Calloway may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. Calloway anticipates temporarily funding such items, if necessary, through an operating line of credit in expectation of refinancing long-term debt on its maturity.

Tax Related Risk Factors

SIFT Rules

Legislation

On June 22, 2007 the Tax Act was amended to create a new tax regime (the "**SIFT Rules**") for certain publicly traded income trusts (each a "**SIFT**"). Under the SIFT Rules, unless a trust is able to qualify as a "real estate investment trust", such a trust will generally be subject to tax on the "non-portfolio earnings" distributed to its unitholders at a rate similar to the combined federal and provincial corporate rates.

A SIFT includes a trust resident in Canada with publicly traded units that holds one or more "non-portfolio properties". "**Non-portfolio properties**" include certain investments in real properties situated in Canada and certain investments in corporations and trusts resident in Canada and in partnerships with specified connections in Canada. Calloway will be a SIFT for purposes of the SIFT Rules unless it qualifies for the REIT Exception described below under the heading "REIT Exception".

Effective Dates for New Taxation Regime

The SIFT Rules apply beginning with the 2007 taxation year of a trust unless the trust qualifies as an "**Existing Trust**", being a trust in existence on October 31, 2006 that would have been a SIFT trust on October 31, 2006 if the definition of "SIFT trust" had been in force on that date and applied to the trust on that date (the "**Existing Trust Exception**"). For trusts that meet the Existing Trust Exception, the SIFT Rules will apply commencing with the earlier of the trust's 2011 taxation year and the first taxation year of the trust in which it exceeds "normal growth" as determined under the Growth Guidelines described below. The SIFT Rules include the "**Undue Expansion Rule**" which, if it applies, could cause a trust to become subject to the new taxation regime introduced by the SIFT Rules as early as its 2007 taxation year. On December 15, 2006, the Department of Finance (Canada) provided further guidance as to what is meant by "normal growth" in the context of the Undue Expansion Rule (the "**Growth Guidelines**"). Specifically, the Department of Finance (Canada) stated that it will not recommend any change to the 2011 date in respect of any SIFT whose equity capital grows as a result of issuances of new equity (including trust units and debt that is convertible into trust units), in any of the intervening periods described below, by an amount that does not exceed the greater of $50 million and an objective "**safe harbour**". The Department of Finance (Canada) indicated that the safe harbour amount will be measured by reference to a SIFT's market capitalization as of the end of trading on October 31, 2006, and will be measured in terms of a SIFT's issued and outstanding publicly-traded units (the "**Market Capitalization**"). For the period from November 1, 2006 to the end of 2007, a SIFT's safe harbour will be 40 percent of the Market Capitalization on October 31, 2006. A SIFT's safe harbour for each of the 2008 through 2010 calendar years will be 20 percent of that benchmark. Two substantive revisions were made to the Growth Guidelines effective December 4, 2008. Firstly, the available safe harbour must be shared between a parent SIFT and its subsidiary SIFTs in certain circumstances. Secondly, the Growth Guidelines were revised to accelerate the safe harbour amount for each of 2009 and 2010. This latter change allows the SIFT to use the remaining safe harbour room available in a single year rather than staging it over the 2009 and 2010 years. Management of Calloway believes that all offerings made by Calloway since October 31, 2006 fall within the safe harbour limits. There can be no assurance that any other additions to the capital or assets of Calloway will not, alone or in combination with each other, constitute an "undue expansion" under the Undue Expansion Rule in the SIFT Rules. The Undue Expansion Rule would only be relevant to Calloway if it does not qualify for the REIT Exception.

REIT Exception

The new taxation regime introduced by the SIFT Rules is not applicable to trusts that qualify for the exception under the SIFT Rules applicable to certain real estate investment trusts ("**REITs**") (the "**REIT Exception**"). The Minister of Finance (Canada)'s stated intention is to exempt certain REITs from taxation as SIFTs in recognition of "the unique history and role of collective real estate investment vehicles". If Calloway fails to qualify for the REIT Exception, Calloway will be subject to the new tax regime introduced by the SIFT Rules.

In particular, to qualify for the REIT Exception in a particular taxation year (i) the REIT must, at no time in the taxation year, hold "non-portfolio property" other than "qualified REIT properties", (ii) not less than 95% of the REIT's revenues for the taxation year must be derived from one or more of the following: (A) rent from "real or immovable properties"; (B) interest; (C) capital gains from dispositions of real or immovable properties; (D) dividends; and (E) royalties, (iii) not less than 75% of the REIT's revenues for the taxation year must be derived from one or more of the following: (A) rent from "real or immovable properties"; (B) interest from mortgages, or hypothecs, on real or immovable property; and (C) capital gains from dispositions of real or immovable properties, and (iv) at each time in the taxation year an amount, that is equal to 75% or more of the equity value of the REIT at that time, is the amount that is the amount of the total fair market value of all properties held by the REIT each of which is real or immovable property, indebtedness of a Canadian corporation represented by a bankers acceptance, money and deposits (within the meaning of the *Canada Deposit Insurance Corporation Act* or with a branch in Canada of a bank) of such money standing to the credit of the REIT, certain debt obligations issued by certain debtors, including Canadian federal, provincial or municipal governments or crown corporations or certain debt obligations guaranteed by the federal government of Canada otherwise then being insured by the Canada Deposit Insurance Corporation, or deposits with a credit union. Generally, the SIFT Rules contain a look-through rule under which a REIT could qualify for the REIT Exception where it holds its Canadian real properties indirectly through intermediate entities.

Application to Calloway

The REIT Exception, in its current form, does not fully accommodate the current business structures used by many Canadian REITs, and contains a number of technical tests that many Canadian REITs, including Calloway, may find difficult to satisfy. The Department of Finance (Canada) has enacted a number of amendments to the SIFT Rules to resolve certain technical issues. However, these amendments appear not to address all of the issues that may currently prevent Calloway from qualifying for the REIT Exception.

As noted above, the SIFT Rules will apply to an Existing Trust (other than REITs that qualify for the REIT Exception) commencing with the earlier of the Existing Trust's 2011 taxation year and the first taxation year of the Existing Trust in which it exceeds "normal growth" as determined under the Growth Guidelines described above. Accordingly, unless the REIT Exception is applicable to Calloway, the SIFT Rules could impact the level of cash distributions which would otherwise be made by Calloway and the taxation of such distributions to holders of Units.

Based on the legislation as it is now enacted, it would appear that Calloway, as currently structured, does not qualify for the REIT Exception. Subject to the normal growth issue discussed above, the SIFT Rules will apply to Calloway commencing in 2011. Calloway currently intends to qualify for the REIT Exception prior to 2011. In order to so qualify, Calloway may need to discontinue or reorganize certain of its activities. However, no assurance can be given that Calloway will qualify for the REIT Exception. If Calloway were not to qualify for the REIT Exemption, it will be subject to the SIFT Rules in 2011 (subject to compliance with the Normal Growth Guidelines).

Changes in Legislation

There can be no assurance that Canadian federal income tax laws respecting the treatment of mutual fund trusts, including real estate investment trusts, will not be changed in a manner which adversely affects the holders of Units.

Qualification as a "Mutual Fund Trust" or Registered Investment

If Calloway ceases to qualify as a "mutual fund trust" or "registered investment" under the Tax Act, the income tax considerations for Unitholders would be materially and adversely different in certain respects, including that Units may cease to be qualified investments for Plans and may become foreign property for Plans and other tax-exempt entities. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

Tax Deferred Distributions

The extent to which distributions will be tax deferred in the future will depend in part on the extent to which Calloway is able to deduct capital cost allowance relating to properties directly held by Calloway.

Structural Subordination of the Units

In the event of a bankruptcy, liquidation or reorganization of Calloway or its subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets of Calloway or its subsidiaries before any assets are made available for distribution to Calloway. The Units will be effectively subordinated to most of the indebtedness and other liabilities of Calloway and its subsidiaries. Neither Calloway nor its subsidiaries will be limited in their ability to incur secured or unsecured indebtedness.

Redemption Right

It is anticipated that the redemption right will not be the primary mechanism for Unitholders to liquidate their investments. Further, the entitlement of holders of Units to receive cash upon the redemption of their Units is subject to limitations. Also, securities and/or obligations of Calloway which may be distributed in specie to Unitholders in connection with a redemption will not be listed on any stock exchange and no established market is expected to develop for such securities and/or obligations. See “Declaration of Trust and Description of Units - Redemption Right”.

Distribution of Securities on Redemption or Termination of the Trust

Upon a redemption of Units or termination of Calloway, the Trustees may distribute securities and/or obligations of Calloway or held by Calloway directly to the Unitholders, subject to obtaining any required regulatory approvals. Such securities and/or obligations so distributed may not be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans, depending upon the circumstances at the time. Further, no established market may exist for the securities so distributed at the time of the distribution and no market may ever develop. See “Declaration of Trust and Description of Units - Redemption Right”.

Unitholder Liability

Certain provinces in Canada have passed legislation that creates a statutory limitation on the liability of unitholders of income trusts. The legislation provides that a Unitholder will not be, as a beneficiary, liable for any act, default, obligation or liability of the Trustees that arises after the legislation comes into effect. However, the legislation has not yet been judicially considered and it is possible that reliance upon the legislation by a Unitholder could be successfully challenged on jurisdictional or other grounds.

Further, the Declaration of Trust provides that no Unitholder will be subject to any liability in connection with Calloway or its obligations and affairs and, in the event that a court determines Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of, the Unitholder’s share of Calloway’s assets. Pursuant to the Declaration of Trust, Calloway will reimburse each Unitholder for any costs, damages, liabilities, expenses, charges and losses suffered by a Unitholder resulting from or arising out of any payment of a Calloway obligation by a Unitholder.

Further, the Declaration of Trust provides that written instruments signed by or on behalf of Calloway shall, if practicable, contain a provision to the effect that such obligation will not be binding upon Unitholders personally. Notwithstanding the terms of the Declaration of Trust, Unitholders may not be protected from liabilities of Calloway to the same extent as a shareholder is protected from the liabilities of a corporation. Personal liability may also arise in respect of claims against Calloway (to the extent that claims are not satisfied by Calloway) that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities.

The business of Calloway will be conducted, upon the advice of counsel, in such a way and in such jurisdictions as to avoid as far as possible any material risk of liability to the Unitholders for claims against Calloway including, where commercially reasonable, by obtaining appropriate insurance, where available, for the operations of Calloway and, where commercially reasonable, having written agreements signed by or on behalf of Calloway include a provision that such obligations are not binding upon Unitholders personally.

However, in conducting its affairs, Calloway will be acquiring, and has acquired, real property investments subject to existing contractual obligations, including obligations under mortgages and leases. The Trustees will use all reasonable efforts to have any such obligations under mortgages on its properties and material contracts, other than leases, modified so as not to have such obligations binding upon any of the Unitholders or annuitants personally. However, Calloway may not be able to obtain such modification in all cases. To the extent that claims are not satisfied by Calloway, there is a risk that a Unitholder or annuitant will be held personally liable for obligations of Calloway where the liability is not disavowed as described above.

Nature of Units

Securities such as the Units share certain, though not all, attributes common to shares of a company. As holders of Units, Unitholders will not have the statutory rights normally associated with ownership of shares of a company including, for example, the right to bring "oppression" or "derivative" actions.

Further, the Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporations Act* (Canada) and are not insured under the provisions of the Act or any other legislation.

Dilution

Calloway is authorized to issue an unlimited number of Units. Any issuance of Units may have a dilutive effect on existing Unitholders.

Unitholder Holding a Significant Number of Units

Further, according to reports filed under applicable Canadian securities legislation, as at December 31, 2009, Mitchell Goldhar of Vaughan, Ontario beneficially owns or controls a number of the outstanding Units of Calloway which, together with the securities he beneficially owns or controls which are exchangeable at his option for Units of Calloway for no additional consideration and the associated Special Voting Units, represent an approximately 23.9% voting interest in Calloway. Further, according to the above mentioned reports, as at December 31, 2009, Mr. Goldhar beneficially owns or controls additional rights to acquire Units of Calloway which, if exercised or converted, would result in him increasing his beneficial economic and voting interest in Calloway to as much as approximately 31.8%. Notwithstanding the foregoing, the Declaration of Trust provides that if in any given 365 day period in the five year period from July 1, 2005, the average weighted aggregate number of Special Voting Units plus Units held or controlled by Mitchell Goldhar, companies controlled by Mitchell Goldhar or affiliates of such companies (collectively referred to herein as "**SmartCentres**") is equal to or greater than 15,000,000, then so long as Mitchell Goldhar remains a Trustee and SmartCentres directly or indirectly beneficially owns or controls less than 25% of the voting rights attached to all voting securities of Calloway, Calloway shall issue such number of additional Special Voting Units which will entitle SmartCentres to cast 25% of the votes attached to all voting securities of Calloway at a meeting of the holders of Units and Special Voting Units. SmartCentres' entitlement under this clause shall extend for an additional five year period should SmartCentres sell in aggregate at least $800,000,000 of freehold assets (including freehold interests in assets sold under development arrangements) to Calloway or its affiliates during the initial 5 year period, provided that number of Units and Special Voting Units held or controlled by SmartCentres shall be increased to the lesser of 20,000,000 or 20% of the aggregate issued and outstanding Units plus Special Voting Units and provided that Mr. Mitchell Goldhar remains a trustee of Calloway. If Mr. Goldhar sells substantial amounts of Units in the public market, the market price of the Units could fall. The perception among the public that these sales will occur could also produce such effect. As a result of his voting interest in Calloway, Mr. Goldhar may be able to exert significant influence over matters that are to be determined by votes of the Voting Unitholders of Calloway. The timing and receipt of any takeover or control premium by Unitholders could depend on the determination of Mr. Goldhar as to when to sell Units. This could delay or prevent a change of control that would be attractive to, and provide liquidity for, Unitholders, and could limit the price that investors are willing to pay in the future for Units.

Risks Relating to the Debentures

Refinancing or Repayment of Debentures on Maturity

Calloway intends to refinance its existing Debentures on maturity. However, Calloway is subject to the risk that any of its existing indebtedness, including its Debentures, may not be able to be refinanced on maturity or that the terms of such financing may not be as favourable as the terms of its existing indebtedness, including the terms of its existing Debentures. Further, if it cannot refinance the Debentures on maturity, there can be no assurance that Calloway will be able to generate sufficient cash flow from operations, or generate sufficient capital through other means such as equity financings or asset sales, to meet required principal payments on its outstanding Debentures. In September 2010, Calloway has approximately $46.5 million in unsecured debentures maturing. Failure to meet its obligations under the Debentures would likely have an adverse effect on Calloway's financial condition and the value of the Units and the Debentures. Also see "Risk Factors - Risks Relating to the Business - Debt Financing", "Risk Factors - Risks Relating to the Business - Interest and Financing Risk" and "Risk Factors - Risks Relating to the Business - Capital Requirements"." Due to the quality and location of Calloway’s real estate, management is confident that Calloway will be able to meet its financing requirements in 2010.

Credit Ratings

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. The credit ratings accorded to the 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures and the 10.25% Debentures are not a recommendation to purchase, hold or sell such debentures inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that these ratings will remain in effect for any given period of time or that these ratings will not be revised or withdrawn entirely by DBRS in the future if, in its judgment, circumstances are so warranted. Real or anticipated changes in credit ratings on the 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures and the 10.25% Debentures may affect the market value of such debentures. In addition, real or anticipated changes in credit ratings can affect the cost at which Calloway can access the debenture market. No credit rating has been provided for the 5.75% Convertible Debentures, the 6% Convertible Debentures or the 6.65% Convertible Debentures. See “Ratings on Securities”.

Structural Subordination of Debentures

Liabilities of a parent entity with assets held by various subsidiaries may result in the structural subordination of the lenders of the parent entity. The parent entity is entitled only to the residual equity of its subsidiaries after all debt obligations of its subsidiaries are discharged. In the event of a bankruptcy, liquidation or reorganization of Calloway, holders of indebtedness of Calloway (including holders of Debentures) may become subordinate to lenders to the subsidiaries of Calloway.

Certain of the subsidiaries of Calloway have provided a form of guarantee pursuant to which the trustee for the Debentures is, subject to the indentures governing the Debentures, entitled to seek redress from such subsidiaries for the guaranteed indebtedness. These guarantees are intended to eliminate structural subordination which arises as a consequence of Calloway’s assets being held in various subsidiaries. Although all subsidiaries which own material assets have provided a guarantee, not all subsidiaries of Calloway have provided such a guarantee. In addition, there can be no assurance that the trustee for the Debentures will, or will be able to, effectively enforce the guarantee.

Market Value Fluctuation

Prevailing interest rates will affect the market value of the Debentures, as they carry a fixed interest rate. Assuming all other factors remain unchanged, the market value of the Debentures, which carry a fixed interest rate, will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Trading Market for Debentures

If the Debentures are traded by a holder after their acquisition by that holder, they may trade at a discount from their acquisition cost to the holder depending on prevailing interest rates, the market for similar securities, the performance of Calloway and other factors. No assurance can be given as to whether an active trading market will develop or be maintained for the Debentures. To the extent that an active trading market for the Debentures does not develop, the liquidity and trading prices for the Debentures may be adversely affected. The 4.51% Debentures, the 5.37% Debentures, the 7.95% Debentures and the 10.25% Debentures are not listed for trading on any stock exchange. The 5.75% Convertible Debentures, the 6% Convertible Debentures and the 6.65% Convertible Debentures are listed for trading on the Toronto Stock Exchange.

Conversion Following Certain Transactions

In the case of certain transactions, each of the 5.75% Convertible Debentures, the 6% Convertible Debentures and the 6.65% Convertible Debentures will become convertible into the securities, cash or property receivable by a holder of Units in the kind and amount of securities, cash or property into which the 5.75% Convertible Debenture the 6% Convertible Debenture or the 6.65% Convertible Debenture, as applicable, was convertible immediately prior to the transaction. This change could substantially lessen or eliminate the value of the conversion privilege associated with such Debentures in the future. For example, if Calloway was acquired in a cash merger, each such Debenture would become convertible solely into cash and would no longer be convertible into Units whose value would vary depending on Calloway's future prospects and other factors.

Dilutive Effects on Holders of Units in the Event of the Redemption of Convertible Debentures

Calloway may determine to redeem the 5.75% Convertible Debentures, the 6% Convertible Debentures and the 6.65% Convertible Debentures, and / or any other outstanding convertible debentures it may have issued from time to time, for Units or to settle the interest and/or pay the redemption price at maturity of such convertible debentures by issuing additional Units. Accordingly, holders of Units may suffer dilution in the event of any such redemption.

Statutory Remedies

Calloway is not a legally recognized entity within the relevant definitions of the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act* and in some cases, the *Winding Up and Restructuring Act*. As a result, in the event a restructuring of Calloway were necessary, Calloway would not be able to access the remedies available thereunder. In the event of a restructuring, a holder of Debentures may be in a different position than a holder of secured indebtedness of a corporation.

MANAGEMENT OF CALLOWAY

General

An experienced and capable executive management team provides strategic direction to Calloway, subject to the supervision of the Board of Trustees. Members of the executive management team have an extensive understanding of the commercial real estate industry in Calloway's target markets. The executive management of Calloway seeks to achieve and maintain geographic asset diversity, staggered lease maturities, staggered debt maturities, reasonable asset leverage, strong tenant covenants, high occupancy rates with contractual rental rate increases and appropriate capital improvement and redevelopment programs. All of Calloway's investments are subject to specific investment guidelines and the operations of Calloway are subject to specific operating policies. See "Investment Guidelines and Operating Policies".

Trustees and Executive Officers of Calloway

The following table sets forth the name, age, province or state and country of residence, office held with Calloway, experience and principal occupation during at least the last five (5) years of each of the current Trustees and executive officers of Calloway:

Name, Age and Municipality Of Residence	**Current Office In Calloway**[4]	**Principal Occupation**
Simon Nyilassy, 54 Ontario, Canada	President, Chief Executive Officer and Trustee	President and Chief Executive Officer of Calloway Real Estate Investment Trust since July 8, 2005. Executive Vice-President Finance and Treasury of SmartCentres, a private shopping centre development company in Vaughan, Ontario, from November, 2000 to July 8, 2005. Finance consultant from August, 1998 to November, 2000. Trustee of Calloway Real Estate Investment Trust since November, 2003. Mr. Nyilassy is a Chartered Accountant and has a Bachelor of Science degree from the University of Warwick (1976).
Mitchell Goldhar, 48 Ontario, Canada [2][5]	Trustee	Mitchell Goldhar is the owner of SmartCentres, a private shopping centre development company in Vaughan, Ontario. Mr. Goldhar has been in the real estate development business for 25 years. Since developing the first new Canadian Wal-Mart store in Barrie, Ontario in 1994, Mr. Goldhar has developed over 200 shopping centres across Canada (including the development of 152 Wal-Mart stores). Mr. Goldhar is a graduate of York University with a Bachelor of Political Science (1985). He teaches at the University of Toronto, Rotman School of Management and is a member of the Board of Directors of The Hospital for Sick Children. Mr. Goldhar is also a member of the Board of Directors of Indigo Books & Music Inc. Trustee of Calloway Real Estate Investment Trust since July 8, 2005.
Jamie M. McVicar, 51 Alberta, Canada [1][3]	Trustee	Chief Financial Officer then Vice President Finance and Administration at Devonian Properties Inc., a property development company, from October, 2000 to present. President of Newell Post Developments Ltd., a property development company, from June, 1998 to June, 2000. Legal counsel for Oxford Development Group, a property development company, from 1988 to June, 1998. Trustee of Calloway Real Estate Investment Trust since December 4, 2001. Mr. McVicar is a member of the Law Society of Alberta and has a Bachelor of Commerce from the University of Alberta (1980), Bachelor of Laws from the University of Western Ontario (1981) and Masters of Business Administration from the University of Toronto (1982).
Kevin B. Pshebniski, 47 Alberta, Canada [2][3]	Trustee	President of Hopewell Development Corporation, a property development company, from September, 1998 to present. Chief Operating Officer of Hopewell Development Corporation from September 1997 to September, 1998. Vice-President with Hopewell Group of Companies from January, 1996 to September, 1997. Trustee of Calloway Real Estate Investment Trust since December 4, 2001. Mr. Pshebniski holds a Bachelor of Science (Geol. Major) and a Bachelor of Laws from the University of Manitoba and is a member of the Law Society of Alberta.
Michael Young, 65 Texas, USA [3][5]	Trustee	President of Quadrant Capital Partners, a private equity firm in Dallas, Texas since November, 2003. Managing Director for CIBC World Markets from 1994 to October, 2003 and was appointed Global Head of Real Estate for CIBC World Markets in 1997. Trustee of Calloway Real Estate Investment Trust since November 11, 2003. Mr. Young holds a Bachelors degree from the University of Western Ontario (1967).

Name, Age and **Municipality Of Residence**	**Current Office In** **Calloway**[4]	**Principal Occupation**
Al Mawani, 58 Ontario, Canada [1]	Trustee	Mr. Mawani is currently president of Exponent Capital Partners Inc., a real estate advisory and private equity firm. Prior to January 31, 2004, Mr. Mawani was Vice-President of Industrial Promotion Services division of Aga Khan fund for Economic Development, another private equity organization. Prior thereto, Mr. Mawani was Executive Vice-President of Business Development for one year and Senior Vice-President and Chief Financial Officer for 10 years at Oxford Properties Group Inc., one of Canada's largest real estate companies. Mr. Mawani is a Chartered Accountant and has a Masters in Business Administration from the University of Toronto and a Masters of Laws from Osgoode Hall Law School. He is also a member of the Financial Executives Institute. Trustee of Calloway Real Estate Investment Trust since March 14, 2005.
Peter Forde, 55 Ontario, Canada [2][5]	Trustee	Chief Operating Officer of SmartCentres, a private shopping centre development company in Vaughan, Ontario, since September, 2005. Executive Vice-President Finance and Administration of SmartCentres from 1998 to September, 2005, Vice-President and Chief Financial Officer of Nexacor Realty Management Inc. (real estate subsidiary of Bell Canada) from January, 1996 to February, 1998. Mr. Forde is a Chartered Accountant and has a Bachelor of Business Administration degree from York University (1977). Trustee of Calloway Real Estate Investment Trust since July 8, 2005.
J. Michael Storey, 52 Alberta, Canada [1][2]	Trustee	President of Chipper Capital Limited, a private real estate lending and investment company and partner with the Property Development Group. President and Chief Executive Officer of Calloway Real Estate Investment Trust from December 4, 2001 to July 8, 2005. President, Chief Executive Officer and a Director of Calloway Properties Inc. from May 1, 1997 to January 22, 2002. Prior employment included various management positions in real estate development firms including Princeton Developments Limited, Stewart Green Properties Ltd. and Oxford Properties Group Inc. Mr. Storey has a Bachelor of Science in Mechanical Engineering from the University of Washington and a Masters of Business Administration from the University of British Columbia. Trustee of Calloway Real Estate Investment Trust since December 4, 2001.
David M. Calnan, 54 Alberta, Canada [2]	Secretary and Trustee	Partner of Shea Nerland Calnan LLP, Barristers and Solicitors, from 1990 to present. Secretary and a Trustee of Calloway Real Estate Investment Trust since December 4, 2001. Mr. Calnan has a Bachelor of Arts from the Queens University (1977) and a Bachelor of Laws from the University of Toronto (1981).
Bart Munn, 53 Ontario, Canada	Chief Financial Officer	Chief Financial Officer of Calloway Real Estate Investment Trust since December, 2005. Vice President and Chief Financial Officer of Morguard Corporation, a publicly traded owner and manager of commercial and residential real estate, from 1999 to 2005. Vice President and Chief Financial Officer of Morguard Real Estate Investment Trust from 1997 to 1999. Also held the position of Senior Vice President Finance & Administration for Morguard Investments Limited, a wholly owned subsidiary of Morguard Corporation, from 1991 until 2005. Mr. Munn is a Chartered Accountant.
Rudy Gobin, 48 Ontario, Canada	Executive Vice President Asset Management	Executive Vice President Asset Management of Calloway Real Estate Investment Trust since January 2007. Executive Vice President, Finance and Operations of SmartCentres, a private shopping centre development company in Vaughan, Ontario, from 2001 to December, 2006. Chief Financial Officer of Nexacor Realty Management Inc.

Name, Age and Municipality Of Residence	Current Office In Calloway[4]	Principal Occupation
		(real estate subsidiary of Bell Canada) from March, 1998 to May, 2001. Mr. Gobin is a Chartered Accountant and Certified Management Accountant and has a Bachelor of Commerce from the University of Toronto (1987).

Notes:

(1) Member of the Audit Committee. For further details on the Audit Committee, please refer to the section entitled "Audit Committee".

(2) Member of the Investment Committee.

(3) Member of Compensation, Nominating and Governance Committee.

(4) Each of the Trustees of Calloway serves in such capacity until the next annual meeting of Unitholders of Calloway unless re-elected or appointed at that Meeting to serve for a further one year term.

(5) Appointed as a Trustee by SmartCentres pursuant to its rights under the Declaration of Trust. See "Declaration of Trust and Description of Units – Trustees".

As of December 31, 2009, the Trustees and executive officers of Calloway, as a group, beneficially owned or controlled, directly and indirectly, 12,129,394 Units (15.0% of issued and outstanding Units) and 12,422,311 Special Voting Units (75.9% of the issued and outstanding Special Voting Units), for a total of 30.4% of the issued and outstanding Voting Units. Notwithstanding the foregoing, see the section entitled "Declaration of Trust and Description of Units – Special Voting Units" which describes circumstances under which Mr. Goldhar, via SmartCentres, may acquire additional Special Voting Units.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set out below, to the best of the knowledge of management of Calloway, no person who is a Trustee or executive officer of Calloway:

(a) is, as at the date of this annual information form, or has been, within 10 years before the date of this annual information form, a director, chief executive officer or chief financial officer of any company (including Calloway) that,

 (i) was subject to an order (as defined below) that was issued while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

 (ii) was subject to an order that was issued after that person 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; or

(b) is, as at the date of this annual information form, or has been within 10 years before the date of this annual information form, a director or executive officer of any company (including Calloway) 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; or

(c) has, within the 10 years before the date of this annual information form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 that person.

For the purposes of (a) above, "**order**" means:

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

Sable Technologies, Inc. filed bankruptcy protection documentation in California on August 12, 2001. Kevin Pshebniski, a trustee of Calloway, was a director of Sable Technologies, Inc. at the time.

In the summer of 2008, the Alberta Securities Commission and the British Columbia Securities Commission issued a cease trade orders for all of the securities of Aztek Energy Ltd. for failure to file annual audited financial statements for the year ended December 31, 2007 due to a decision of the board of directors of Aztek Energy Ltd. to allocate the limited cash resources of Aztek Energy Ltd. exclusively to satisfying well abandonment obligations. Subsequently, Aztek Energy Ltd. satisfied its well abandonment obligations and filed its annual audited financial statements and the securities commissions revoked the aforementioned cease trade orders. David Calnan, a trustee of Calloway, was corporate secretary and a director of Aztek Energy Ltd. during this time. Aztek Energy Ltd. merged with Spartan Exploration Ltd. pursuant to a plan of arrangement on January 18, 2010.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains “conflict of interest” provisions that serve to protect Unitholders without creating undue limitations on Calloway. Given that the Trustees are engaged in a wide range of real estate and other business activities, the Declaration of Trust contains provisions, similar to those contained in the Canada *Business Corporations Act*, that require each Trustee to disclose to Calloway any interest in a material contract or transaction or proposed material contract or transaction with Calloway (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture arrangement) or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Calloway. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, a Trustee is required to disclose in writing to Calloway or request to have entered into the minutes of the meeting of the Trustees the nature and extent of his or her interest forthwith after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of Calloway or one for indemnity under the provisions of the Declaration of Trust or liability insurance.

Kevin Pshebniski has disclosed in writing that, as an officer of Hopewell Development Corporation, a Calgary based real estate developer with which Calloway has entered into a development agreement, he will be interested in any contract or transaction, or proposed contract or transaction, with that company and its affiliates. David Calnan is a partner of Shea Nerland Calnan LLP, a law firm that provides legal services to Calloway. Mitchell Goldhar has disclosed in writing that, as a director, officer and significant shareholder of SmartCentres, he will be interested in any contract or transaction or proposed contract or transaction with SmartCentres and its affiliates. Peter Forde has disclosed in writing that, as an officer of SmartCentres he will be interested in any contract or transaction or proposed contract or transaction, with SmartCentres and its affiliates.

OPERATION OF THE PROPERTY PORTFOLIO

Employees

As at December 31, 2009, Calloway had 112 employees responsible for asset management, property management, new business which includes both acquisitions and developments and property and corporate accounting.

Leasing Function

The leasing function for the Property Portfolio is primarily provided by SmartCentres. Calloway and SmartCentres have developed a leasing strategy for each property reflecting the nature of the property, its position within the local marketplace, prevailing and forecast economic conditions and the state of the local real estate market and status of existing tenancies.

Property Management Function

In December 2006, Calloway internalized the majority of the property management function for the Property Portfolio which was previously provided primarily by SmartCentres. As at December 31, 2009, approximately 93.5% of the total leaseable area of Calloway's Property Portfolio was managed internally by Calloway while the remaining 6.5% was externally managed by third parties.

Environmental Policy

Calloway will endeavour to ensure that the Property Portfolio is managed in compliance with all applicable environmental laws and regulations and has adopted and implement rules, standards and procedures to deal with all applicable environmental issues for each asset in the Property Portfolio. Calloway's operating policy requires it to obtain a Phase 1 environmental assessment conducted by an independent and experienced environmental consultant prior to acquiring a property.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Calloway has not been, nor is presently involved in, any legal proceedings or regulatory actions material to it and insofar as it is aware, no such proceedings or actions are contemplated.

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company of Canada at its principal offices in Toronto, Ontario and Calgary, Alberta is the transfer agent and registrar for the Units and the Debentures.

MATERIAL CONTRACTS

There following are the only material contracts, other than contracts entered into in the ordinary course of business, that are material to Calloway and that were entered into within the most recently completed financial year, or before the most recently completed financial year but that are still in effect:

(a) The Declaration of Trust, the particulars of which are set out under "Declaration of Trust and Description of Units".

(b) The trust indenture dated May 14, 2004, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 6% Convertible Debentures. See "Description of Other Securities – 6% Convertible Debentures".

(c) The trust indenture dated September 22, 2005, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 4.51% Debentures. See "Description of Other Securities – 4.51% Debentures".

(d) The first supplemental trust indenture dated October 12, 2006, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 5.37% Debentures. See "Description of Other Securities – 5.37% Debentures".

(e) The first supplemental trust indenture dated May 2, 2008, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 6.65% Convertible Debentures. See "Description of Other Securities – 6.65% Convertible Debentures".

(f) The second supplemental trust indenture dated April 13, 2009, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 10.25% Debentures. See "Description of Other Securities – 10.25% Debentures".

(g) The third supplemental trust indenture dated June 30, 2009, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 7.95% Debentures. See “Description of Other Securities – 7.95% Debentures”.

(h) The second supplemental trust indenture dated January 5, 2010, between Calloway as issuer and Computershare Trust Company of Canada as trustee providing for the issuance of the 5.75% Convertible Debentures. See “Description of Other Securities – 5.75% Convertible Debentures”.

(i) The Holdings Trust Declaration of Trust. See “Information Respecting Calloway Holdings Trust”.

(j) The Calloway LP Agreement. See “Information Regarding Calloway Limited Partnership”.

INTERESTS OF EXPERTS

PricewaterhouseCoopers LLP, Chartered Accountants, the auditors of Calloway, are named as having prepared or certified a statement, report or valuation described or included in a filing made by Calloway under National Instrument 51-102 during, or relating to, Calloway’s most recently completed financial year. PricewaterhouseCoopers LLP is independent of Calloway in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Accountants of Ontario.

AUDIT COMMITTEE

Audit Committee Charter

A copy of the charter of the Audit Committee is attached as Schedule A to this annual information form.

Audit Committee Composition

The Audit Committee consists of Al Mawani (chair), Jamie McVicar and J. Michael Storey. Each member of the Audit Committee is independent and financially literate, as such terms are defined in National Instrument 52-110 – Audit Committees.

Relevant Education and Experience

For a description of the education and experience of each member of the audit committee that is relevant to the performance of his responsibilities as a member of the Audit Committee, see the biography of each member of the audit committee included in this annual information form under the heading “Management of Calloway - Trustees and Executive Officers of Calloway”**.**

Pre-Approval Policies and Procedures

The Audit Committee must pre-approve all non-audit services to be provided to Calloway or its subsidiary entities by its external auditors or the external auditors of Calloway's subsidiary entities.

External Auditor Service Fees

The aggregate amounts paid or accrued by Calloway with respect to fees payable to PricewaterhouseCoopers LLP, the current external auditors for Calloway, for audit (including separate audits of subsidiary entities, financings and regulatory reporting requirements), audit-related, tax and other services in the fiscal years ended December 31, 2009 and 2008 were as follows:

	2009	2008
Audit fees (1)	$381,570	$436,800
Audit-related fees(2)	$184,330	$164,250

	2009	2008
Tax fees(3)	$94,451	$27,392
All other fees(4)	$310,214	$55,800
TOTAL	$970,565	$684,242

Notes:

(1) "Audit fees" include the aggregate professional fees paid to the external auditors for the audit of the annual consolidated financial statements and other regulatory audits and filings.

(2) "Audit-related fees" include the aggregate fees paid to the external auditors for services related to the audit services, including namely review of quarterly financial statements and management's discussion and analysis thereon, audit of property common area costs, advise on audit committee charter, consultations regarding financial reporting and accounting standards and French translations.

(3) "Tax fees" include the aggregate fees paid to the external auditors for tax compliance, tax advice, tax planning and advisory services, including namely preparation of tax returns, deferred unit plan considerations and sales tax assistance.

(4) "All other fees" include the aggregate fees paid to the external auditors for all other services other than those presented in the categories of audit fees, audit-related fees and tax fees, including namely assistance with management information circulars and prospectuses, service related to underwriter's due diligence and assistance to legal counsel for applications for relief to securities commissions.

The Audit Committee of Calloway considered and agreed that the above fees are compatible with maintaining the independence of Calloway's auditors. Further, the Audit Committee determined that, in order to ensure the continued independence of the auditors, only limited non-audit related services will be provided to Calloway by Calloway's external auditors and in such case, only with the prior approval of the Audit Committee.

INFORMATION RESPECTING CALLOWAY HOLDINGS TRUST

General

Calloway Holdings Trust (the "**Holdings Trust**") is an unincorporated open-ended limited purpose trust formed under the laws of the Province of Alberta and created pursuant to a declaration of trust dated June 15, 2005 (the "**Holdings Trust Declaration of Trust**").

Holdings Trust is administered by a board of trustees. The sole trustee of Holdings Trust is Simon Nyilassy, the President, Chief Executive Officer and a Trustee of Calloway. See "Management of Calloway".

All of the units of Holdings Trust ("**Holdings Trust Units**") are held by Calloway. Holdings Trust owns all of the LP Class A Units of Calloway LP.

Business

Holdings Trust is a limited purpose trust and its operations and activities shall be restricted to the following activities:

(a) investing in such securities and/or obligations as may be approved from time to time by the trustees of Holdings Trust, including the securities and/or obligations of Calloway LP, and otherwise lending funds to Calloway LP and its affiliates and borrowing funds for any such purposes;

(b) issuing guarantees of the obligation and indebtedness of any of its subsidiaries or affiliates and charging, pledging, hypothecating or granting any security interest, mortgage or encumbrance over or with respect to any or all of the assets of Holdings Trust in connection with any such guarantees;

(c) disposing of any part of the assets of Holdings Trust;

(d) temporarily holding cash and short term investments in accordance with a policy from time to time determined by the trustees of Holdings Trust and other investments (including investments in

Calloway LP) for the purposes of paying expenses and liabilities of Holdings Trust, paying amounts payable by Holdings Trust in connection with the redemption of any units of Holdings Trust, and making distributions to the unitholders of Holdings Trust; and

(e) undertaking such other activities as shall be approved by the trustees of Holdings Trust from time to time.

Holdings Trust Units

Holdings Trust's authorized capital consists of an unlimited number of Holdings Trust Units. All of the issued and outstanding Holdings Trust Units are held by Calloway.

Each Holdings Trust Unit represents an equal fractional undivided beneficial interest in any distributions from Holdings Trust, and in any net assets of, Holdings Trust in the event of termination or winding-up of Holdings Trust. All Holdings Trust Units are of the same class with equal rights and privileges. Each Holdings Trust Unit is transferable, entitles the holder thereof to participate equally in distributions, including the distributions of net income and net realized capital gains of Holdings Trust and distributions on liquidation, is fully paid and non-assessable and entitles the holder thereof to one vote at all meetings of unitholders for each Holdings Trust Unit held.

Issuance of Holdings Trust Units

The Holdings Trust Declaration of Trust provides that Holdings Trust Units or rights to acquire Holdings Trust Units may be issued at the times, to the persons, for the consideration and on the terms and conditions that the trustees determine. At the option of the trustees, Holdings Trust Units may be issued in satisfaction of any distribution of Holdings Trust to unitholders on a pro rata basis to the extent Holdings Trust does not have available cash to fund such distributions. The Holdings Trust Declaration of Trust also provides that, unless the trustees determine otherwise, immediately after any pro rata distribution of Holdings Trust Units to all unitholders in satisfaction of any non-cash distribution, the number of outstanding Holdings Trust Units will be consolidated such that each unitholder will hold after the consolidation the same number of Holdings Trust Units as the unitholder held before the non-cash distribution, except where tax was required to be withheld. In this case, each certificate, if any, representing a number of Holdings Trust Units prior to the non-cash distribution is deemed to represent the same number of Holdings Trust Units after the non-cash distribution and the consolidation.

Cash Distributions

The amount of cash to be distributed periodically per Holdings Trust Unit will generally be equal to a pro rata share of all amounts received by Holdings Trust in each period including, without limitation, distributions on or in respect of the LP Class A Units of Calloway LP owned by Calloway less: (i) administrative expenses and other obligations of Holdings Trust; and (ii) amounts which may be paid by Holdings Trust in connection with any cash redemptions of Holdings Trust Units. Any income of Holdings Trust which is applied to any such cash redemptions of Holdings Trust Units or is otherwise unavailable for cash distribution will be distributed to unitholders in the form of additional Holdings Trust Units. Such additional Holdings Trust Units will be issued pursuant to applicable exemptions under applicable securities laws, discretionary exemptions granted by applicable securities regulatory authorities or a prospectus or similar filing.

Trustees

Holdings Trust is administered by a board of trustees. The Holdings Trust Declaration of Trust establishes a board of trustees comprised of not more than nine members nor less than one member. Trustees shall be reappointed or replaced every year as may be determined by a majority of the votes cast at an annual meeting of the unitholders of Holdings Trust. Persons who are Non-Residents are disqualified from being a trustee.

The Holdings Trust Declaration of Trust provides that, subject to the terms and conditions thereof, the trustees may, in respect of the assets of Holdings Trust, exercise any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof and shall supervise the investments and conduct the affairs of Holdings

Trust. The trustees are responsible for, among other things: (i) acting for, voting on behalf of and representing Holdings Trust as a unitholder in Calloway LP; (ii) maintaining records and providing reports to unitholders; (iii) supervising the activities of Holdings Trust; (iv) managing the affairs of Holdings Trust; (v) providing direction as to the election or removal of directors of the general partner of Calloway LP; (vi) ensuring that the restrictions in the Holdings Trust Declaration of Trust on Non-Resident ownership are met; and (vii) declaring distributions from Holdings Trust to unitholders.

A trustee may resign upon written notice to Holdings Trust and may be removed by a majority of the votes cast at a special meeting of the unitholders and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the trustees.

A quorum of the trustees, being a majority of the trustees then holding office, may fill a vacancy in the trustees, except a vacancy resulting from an increase in the number of trustees or from a failure of the unitholders to elect the required number of trustees. In the absence of a quorum of the trustees, or if the vacancy has arisen from a failure of the unitholders to elect the required number of trustees, the trustees shall forthwith call a special meeting of unitholders to fill the vacancy. If the trustees fail to call such meeting or if there are no trustees then in office, any unitholder may call the meeting.

The Holdings Trust Declaration of Trust provides that the trustees may, between annual meetings of the unitholders, appoint one or more additional trustees to serve until the next annual meeting of the unitholders, but the number of additional trustees shall not at any time exceed one-third of the number of trustees who held office at the expiration of the immediately preceding annual meeting of the unitholders.

The Holdings Trust Declaration of Trust provides that the trustees shall act honestly and in good faith with a view to the best interests of Holdings Trust and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Holdings Trust Declaration of Trust provides that the trustees shall be entitled to indemnification from Holdings Trust respect of the exercise of their powers and the discharge of their duties in the absence of breach of their duties and standard of care. The duties and standard of care of the trustees provided in the Holdings Trust Declaration of Trust are similar to those imposed on a director of a corporation.

Except as expressly prohibited by law, the trustees may grant or delegate certain of the trustees' authority to effect the actual administration of the duties of the trustees under the Holdings Trust Declaration of Trust. The trustees may grant broad discretion to a third party to administer and manage the day-to-day operations of Holdings Trust, and to make executive decisions which conform to the general policies and general principles set forth in the Holdings Trust Declaration of Trust or otherwise established by the trustees.

See the table in "Management of Calloway" which outlines the name and municipality of residence of the sole trustee of Holdings Trust, Simon Nyilassy, together with his principal occupation for the previous five years.

Amendments to the Holdings Trust Declaration of Trust

The Holdings Trust Declaration of Trust may be amended or altered from time to time by at least 66 ⅔% of the votes cast at a meeting of the unitholders called for such purpose.

The trustees may, without the approval of the unitholders, make certain amendments to the Holdings Trust Declaration of Trust, including amendments:

(a) for the purpose of ensuring continuing compliance with applicable laws (including the Tax Act), regulations, requirements or policies of any governmental or other authority having jurisdiction over the trustees or over the Holdings Trust;

(b) deemed necessary or advisable to ensure that Holdings Trust has not been established nor maintained primarily for the benefit of Non-Residents;

(c) which, in the opinion of the trustees, provide additional protection for or benefit to the unitholders;

(d) to remove any conflicts or inconsistencies in the Holdings Trust Declaration of Trust or making corrections, including the correction or rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the trustees, necessary or desirable and not prejudicial to the unitholders; and

(e) which, in the opinion of the trustees, are necessary or desirable as a result of changes in taxation laws.

INFORMATION RESPECTING CALLOWAY LIMITED PARTNERSHIP

General

Calloway Limited Partnership ("**Calloway LP**") is a limited partnership formed under the laws of the Province of Alberta and governed by an amended and restated limited partnership agreement dated as of June 13, 2008 (the "**Calloway LP Agreement**").

Business

The business of Calloway LP is that of acquiring and operating Real Property and any and all other activities that Calloway LP may engage in from time to time with a view to a profit and that the general partners determine to be in the best interests of Calloway LP, provided that all such business shall relate to the ownership of Real Property.

Calloway GP Inc. ("**Calloway GP**"), as majority general partner of Calloway LP, manages the business and affairs of Calloway LP. See "Information Respecting Calloway GP Inc."

Partnership Units

An unlimited number of (i) LP Class A Units, (ii) LP Class B Series 1 Units, (iii) LP Class B Series 2 Units, (iv) LP Class B Series 3 Units, (v) LP Class C Series 1 Units, (vi) LP Class C Series 2 Units, (vii) LP Class C Series 3 Units, (viii) LP Class D Series 1 Units, (ix) LP Class D Series 2 Units, (x) LP Class E Series 1 Units, (xi) LP Class E Series 2 Units, and (xii) LP Class F Series 3 Units may be issued. Holders of units of any series of class B and class C units of the partnership are considered to be general partners for the purposes of the *Partnership Act* (Alberta) while holders of all other classes of units are considered to be limited partners for the purposes of the *Partnership Act* (Alberta). There shall be no restriction on the number of partnership units that a partner may hold in Calloway LP. No fractional partnership units will be issued and no person shall have any rights to receive fractional partnership units or to receive cash in lieu of the issue of a fraction of a partnership unit.

Holders of (i) LP Class A Units, (ii) LP Class B Series 1 Units, (iii) LP Class B Series 2 Units, (iv) LP Class B Series 3 Units, (v) LP Class D Series 1 Units and (vi) LP Class D Series 2 Units are entitled to notice of, and to attend and vote at, meetings of partners of Calloway LP. Holders of (i) LP Class C Series 1 Units, (ii) LP Class C Series 2 Units, (iii) LP Class C Series 3 Units, (iv) LP Class E Series 1 Units, (v) LP Class E Series 2 Units and (vi) LP Class F Series 3 Units are entitled to notice of, and to attend, meetings of partners of Calloway LP but are not entitled to vote thereat. At meetings of partners of Calloway LP, the holders of LP Class A Units shall have 20 votes for each LP Class A Unit held, the holders of (i) LP Class B Series 1 Units, (ii) LP Class B Series 2 Units, (iii) LP Class D Series 1 and (iv) LP Class D Series 2 Units shall have 1 vote for each such partnership unit held, and the holders of (i) LP Class C Series 1 Units, (ii) LP Class C Series 2 Units, (iii) LP Class C Series 3 Units, (iv) LP Class E Series 1 Units, (v) LP Class E Series 2 Units and (vi) LP Class F Series 3 Units shall have no votes for each such partnership unit held.

Holders of LP Class C Series 1 Units are entitled to exchange their LP Class C Series 1 Units in consideration for LP Class B Series 1 Units and/or cash pursuant to and subject to the terms and conditions set out in the Exchange Agreement 5. Holders of LP Class B Series 1 Units are entitled to exchange their LP Class B Series 1 Units in consideration for Units of Calloway pursuant to and subject to the terms and conditions set out in the Exchange Agreement 5.

Holders of LP Class C Series 2 Units are entitled to exchange their LP Class C Series 2 Units in consideration for LP Class B Series 2 Units and/or cash pursuant to and subject to the terms and conditions set out in the Exchange Agreement 7. Holders of LP Class B Series 2 Units are entitled to exchange their LP Class B Series 2 Units in consideration for Units of Calloway pursuant to and subject to the terms and conditions set out in the Exchange Agreement 7.

Holders of LP Class C Series 3 Units are entitled to exchange their LP Class C Series 3 Units in consideration for LP Class F Series 3 Units and/or cash pursuant to and subject to the terms and conditions set out in the Calloway LP Agreement and in Exchange Agreement 9. Holders of LP Class F Series 3 Units are entitled to exchange their LP Class F Series 3 Units in consideration for LP Class B Series 1 Units and/or cash pursuant to and subject to the terms and conditions set out in the Calloway LP Agreement and in Exchange Agreement 9. Holders of LP Class B Series 1 Units are entitled to exchange their LP Class B Series 1 Units in consideration for Units of Calloway pursuant to and subject to the terms and conditions set out in the Exchange Agreement 5.

Holders of LP Class E Series 1 Units are entitled to exchange their LP Class E Series 1 Units in consideration for LP Class D Series 1 Units and/or cash pursuant to and subject to the terms and conditions set out in the Exchange Agreement 5 and the Calloway LP Agreement. Holders of LP Class D Series 1 Units are entitled to exchange their LP Class D Series 1 Units in consideration for Units of Calloway pursuant to and subject to the terms and conditions set out in the Exchange Agreement 5 and the Calloway LP Agreement.

Holders of LP Class E Series 2 Units are entitled to exchange their LP Class E Series 2 Units in consideration for LP Class D Series 2 Units and/or cash pursuant to and subject to the terms and conditions set out in the Exchange Agreement 7 and the Calloway LP Agreement. Holders of LP Class D Series 2 Units are entitled to exchange their LP Class D Series 2 Units in consideration for Units of Calloway pursuant to and subject to the terms and conditions set out in the Exchange Agreement 7 and the Calloway LP Agreement.

Subject to the restrictions contained in the Calloway LP Agreement and subject to the prior written consent of the majority general partner (i.e. Calloway GP), partnership units may be transferred by a partner. The majority general partner has the right to deny the transfer of partnership units including, without limitation, any transfer to a Non-Resident or a partnership that is not a “Canadian partnership” within the meaning of the Tax Act and in certain of other circumstances.

As of December 31, 2009, there were (i) 3,114,131 LP Class A Units, (ii) 13,794,329 LP Class B Series 1 Units, (iii) 789,444 LP Class B Series 2 Units, (iv) 713,516 LP Class B Series 3 Units, (v) 6,209,512 LP Class C Series 1 Units, (vi) 3,350,000 LP Class C Series 2 Units, (vii) 743,657 LP Class C Series 3 Units, (viii) 330,588 LP Class D Series 1 Units, (ix) nil LP Class D Series 2 Units, (x) 16,704 LP Class E Series 1 Units, (xi)800,000 Class E Series 2 Units and (xii) nil LP Class F Series 3 Units issued and outstanding. As of December 31, 2009, Holdings Trust owns all of the outstanding LP Class A Units while others own all of the other outstanding Calloway LP partnership units.

Expenses of the Partnership

Calloway LP will reimburse the general partners for all direct costs and expenses incurred on the partnership’s behalf by the general partners in the performance of its duties hereunder, but specifically excluding expenses of any action, suit or other proceedings in which or in relation to which the general partners are adjudged to be in breach of any duty or responsibility imposed on it hereunder. In addition, Calloway LP will reimburse the general partners for all indirect costs, including general office and administrative expenses, reasonably allocable to the partnership. Calloway LP will be responsible for the payment of any goods and services tax, if any, with respect to fees paid to the general partners.

Allocation of Net Income and Loss for Tax Purposes

The income for tax purposes or loss for tax purposes for a given fiscal year shall be calculated in accordance with the provisions of the Tax Act and the maximum discretionary deductions available to Calloway LP in computing its income shall be claimed to the extent such deductions reduce the taxable income of the partnership, but not to the extent such deductions would create a loss for purposes of the Tax Act. Such income for tax purposes or loss for tax purposes from each source for that fiscal year, and all other items of income, gain, loss, deduction, recapture and credit of the partnership, which are allocable for the purposes of the Tax Act and other relevant taxing statutes, shall be allocated to the partners (including, for greater certainty, partners who become or cease to be partners during the fiscal year of the partnership) in an amount calculated by multiplying the aggregate amount to be allocated among the partners by a fraction, the numerator of which is the sum of the cash distributions received by that partner and the aggregate amount of any loans made by the partnership to that partner in lieu of a distribution pursuant to the applicable provisions of the Calloway LP Agreement with respect to that fiscal year, and the denominator of which is the total amount of the cash distributions and the aggregate amount of all loans pursuant to the applicable provisions of the Calloway LP Agreement made by the partnership to all partners with respect to that fiscal year. For greater certainty, a cash distribution made by the partnership to a partner in a year that is used to repay a loan made pursuant to the applicable provisions of the Calloway LP Agreement shall not be included as a cash distribution received by the partner for these purposes.

The income or loss of the partnership for accounting purposes for a given fiscal year shall be allocated among the partners in the same proportion as income for tax purposes or loss for tax purposes is allocated for such fiscal year.

Amount of Income Allocated

The amount of income allocated to a partner may exceed or be less than the amount of cash distributed by the partnership to that partner in respect of a given fiscal year.

Where No Cash Distributions Made

If, with respect to a given partnership fiscal year, no cash distribution is made by Calloway LP to its partners, the income for tax purposes or loss for tax purposes from each source for that fiscal year will be allocated as follows:

(a) as to 0.01%, to the majority general partner (i.e. Calloway GP);

(b) as to 0.01%, to the holders of the class C and class E units of Calloway LP, pro rata among them in accordance with the number of units held by each such partner; and

(c) as to the remainder, to the holders of the class A, B, D and F units pro rata among them in accordance with the number of units held by each such partner.

Where Cash Distributions Made

Calloway LP will distribute to the partners whose names appear on the record on the last day of each month, all of the month's free cash flow of Calloway LP as determined by the majority general partner (i.e. Calloway GP) available to the partnership for distribution and such distributions shall be allocated among the partners as follows:

(a) as to 0.01%, to the majority general partner (i.e. Calloway GP);

(b) as to 0.01%, to the holders of the class C and class E units of Calloway LP, pro rata among them in accordance with the number of units held by each such partner;

(c) to the holders of the class B and class D units of Calloway LP, such amounts as are necessary such that the amount distributed in respect of each such partner is equal to the amount that Calloway would have distributed to such partner if each such unit owned by such partner were a Unit of Calloway;

(d) to the holders of the class F units of Calloway LP, an amount equal to their specified preferential return, pro rata among them in accordance with the number of units held by each such partner; and

(e) as to the remaining amount, to the holders of the class A units of Calloway LP, pro rata among them in accordance with the number of units owned by each such partner.

Notwithstanding the foregoing, each partner may, in lieu of receiving the distributions described above at the time indicated above, choose to be loaned amounts from the partnership equal to those amounts which would otherwise have been distributed, and to have the aggregate of all distributions described above made to it on the first business day following the end of the fiscal year in which such distributions would otherwise have been made. Each loan made in a fiscal year will not bear interest and will be due and payable in full on the first business day following the end of the fiscal year during which the loan was made. Any person who has received loans in lieu of distributions in a fiscal year in which such person has ceased to be a partner shall receive distributions on the first business day following the end of that fiscal year equal to the amount that would otherwise have been distributed to such person during that portion of the fiscal year in which such person was a partner. With respect to amounts distributed to a partner or a person who has ceased to be a partner at any time after the making of a loan to a partner, the partner shall be deemed to have irrevocably directed that the amount of any such distribution first be applied to repay loans previously advanced.

INFORMATION RESPECTING CALLOWAY GP INC.

Calloway GP was established under the *Business Corporations Act* (Alberta) on May 25, 2005. Calloway GP is the general partner of Calloway LP and conducts no other business.

Calloway GP is authorized to issue an unlimited number of common shares. All of the outstanding common shares of Calloway GP are owned by Holdings Trust. Each common share entitles its holder to receive notice of and to attend all meetings of the shareholders of Calloway GP and to one vote at such meetings. The holders of common shares are, at the discretion of the board of directors of Calloway GP and subject to applicable legal restrictions, entitled to receive any dividends declared by the board of directors on the common shares. The holders of common shares are entitled to share equally in any distribution of the assets of Calloway GP upon the liquidation, dissolution, bankruptcy or winding-up of Calloway GP or other distribution of its assets among its shareholders for the purpose of winding-up its affairs. Such participation is subject to the rights, privileges, restrictions and conditions attaching to any instruments having priority over the common shares.

The directors of Calloway GP are Simon Nyilassy, the President, Chief Executive Officer and a Trustee of Calloway, and David Calnan, a Trustee of Calloway. Simon Nyilassy also serves as the President of Calloway GP while David Calnan serves as the Secretary of Calloway GP. See “Management of Calloway”.

INFORMATION RESPECTING CALLOWAY LIMITED PARTNERSHIP II

General

Calloway Limited Partnership II (“**Calloway LP II**”) is a limited partnership formed under the laws of the Province of Alberta pursuant to a limited partnership agreement dated February 6, 2006 (the “**Calloway LP II Agreement**”).

Business

The business of Calloway LP II is that of acquiring and operating Real Property and any and all other activities that Calloway LP II may engage in from time to time with a view to profit and that the general partners determine to be in the best interests of Calloway LP II, provided that all such business shall relate to the ownership of Real Property.

Calloway LP II Inc., as general partner of Calloway LP II, manages the business and affairs of Calloway LP II. See “Information Respecting Calloway LP II Inc.”

Partnership Units

An unlimited number of LP II Class A Units and LP II Class B Units may be issued. There shall be no restriction on the number of partnership units that a partner may hold in Calloway LP II. No fractional partnership units will be issued and no person shall have any rights to receive fractional partnership units or to receive cash in lieu of the issue of a fraction of a partnership unit.

Holders of LP II Class A Units and LP II Class B Units are entitled to notice, of and to attend and vote at, meetings of partners of Calloway LP II. At meetings of partners of Calloway LP II, the holders of LP II Class A Units shall have 5 votes for each LP II Class A Unit held and the LP II Class B Units shall have 1 vote for each LP II Class B Unit held.

Subject to the restrictions contained in the Calloway LP II Agreement and subject to the prior written consent of the general partner (i.e. Calloway LP II Inc.), partnership units may be transferred by a partner. The general partner has the right to deny the transfer of partnership units including, without limitation, any transfer to a Non-Resident or a partnership that is not a "Canadian partnership" within the meaning of the Tax Act and in certain of other circumstances.

As of December 31, 2009, there were 200,001 LP II Class A Units and 756,525 LP II Class B Units issued and outstanding. As of December 31, 2009, Holdings Trust owns all of the outstanding LP II Class A Units while others own all of the outstanding LP II Class B Units.

Expenses of the Partnership

Calloway LP II will reimburse the general partner for all direct costs and expenses incurred on the partnership's behalf by the general partner in the performance of its duties hereunder, but specifically excluding expenses of any action, suit or other proceedings in which or in relation to which the general partner is adjudged to be in breach of any duty or responsibility imposed on it hereunder. In addition, Calloway LP II will reimburse the general partner for all indirect costs, including general office and administrative expenses, reasonably allocable to the partnership. Calloway LP II will be responsible for the payment of any goods and services tax, if any, with respect to fees paid to the general partner.

Allocation of Net Income and Loss for Tax Purposes

The income for tax purposes or loss for tax purposes for a given fiscal year shall be calculated in accordance with the provisions of the Tax Act and the maximum discretionary deductions available to Calloway LP II in computing its income shall be claimed to the extent such deductions reduce the taxable income of the partnership, but not to the extent such deductions would create a loss for purposes of the Tax Act. Such income for tax purposes or loss for tax purposes from each source for that fiscal year, and all other items of income, gain, loss, deduction, recapture and credit of the partnership, which are allocable for the purposes of the Tax Act and other relevant taxing statutes, shall be allocated to the partners (including, for greater certainty, partners who become or cease to be partners during the fiscal year of the partnership) in an amount calculated by multiplying the aggregate amount to be allocated among the partners by a fraction, the numerator of which is the sum of the cash distributions received by that partner with respect to that fiscal year, and the denominator of which is the total amount of the cash distributions made by the partnership to all partners with respect to that fiscal year.

The income or loss of the partnership for accounting purposes for a given fiscal year shall be allocated among the partners in the same proportion as income for tax purposes or loss for tax purposes is allocated for such fiscal year.

Amount of Income Allocated

The amount of income allocated to a partner may exceed or be less than the amount of cash distributed by the partnership to that partner in respect of a given fiscal year.

Where No Cash Distributions Made

If, with respect to a given partnership fiscal year, no cash distribution is made by Calloway LP II to its partners, the income for tax purposes or loss for tax purposes from each source for that fiscal year will be allocated as follows:

(a) as to 0.01%, to the general partner (i.e. Calloway LP II Inc.); and

(b) as to the remainder, to the holders of the LP II Class A Units and the LP II Class B Units pro rata among them in accordance with the number of units held by each such partner.

Where Cash Distributions Made

Calloway LP II will distribute to the partners whose names appear on the record on the last day of each month, all of the month's free cash flow of Calloway LP II as determined by the general partner (i.e. Calloway LP II Inc.) available to the partnership for distribution and such distributions shall be allocated among the partners as follows:

(a) as to 0.01%, to the general partner (i.e. Calloway LP II Inc.);

(b) to the holders of the LP II Class B Units, such amounts as are necessary such that the amount distributed in respect of each such partner is equal to the amount that Calloway would have distributed to such partner if each LP II Class B Unit owned by such partner were a Unit of Calloway; and

(c) as to the remaining amount, to the holders of the LP II Class A Units, pro rata among them in accordance with the number of units owned by each such partner.

INFORMATION RESPECTING CALLOWAY LP II INC.

Calloway LP II Inc. was established under the *Business Corporations Act* (Alberta) on February 3, 2006. Calloway LP II Inc. is the general partner of Calloway LP II and conducts no other business.

Calloway LP II Inc. is authorized to issue an unlimited number of common shares. All of the outstanding common shares of Calloway LP II Inc. are owned by Holdings Trust. Each common share entitles its holder to receive notice of and to attend all meetings of the shareholders of Calloway LP II Inc. and to one vote at such meetings. The holders of common shares are, at the discretion of the board of directors of Calloway LP II Inc. and subject to applicable legal restrictions, entitled to receive any dividends declared by the board of directors on the common shares. The holders of common shares are entitled to share equally in any distribution of the assets of Calloway LP II Inc. upon the liquidation, dissolution, bankruptcy or winding-up of Calloway LP II Inc. or other distribution of its assets among its shareholders for the purpose of winding-up its affairs. Such participation is subject to the rights, privileges, restrictions and conditions attaching to any instruments having priority over the common shares.

The directors of Calloway LP II Inc. are Simon Nyilassy, the President, Chief Executive Officer and a Trustee of Calloway, and David Calnan, a Trustee of Calloway. Simon Nyilassy also serves as the President of Calloway LP II Inc. while David Calnan serves as the Secretary of Calloway LP II Inc. See "Management of Calloway".

ADDITIONAL INFORMATION

Additional information relating to Calloway may be found on SEDAR at www.sedar.com.

Additional information, including trustees' and officers' remuneration and indebtedness, principal holders of Calloway's securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in Calloway's Information Circular for its most recent meeting of Unitholders which involved the election of Trustees.

Additional financial information is provided in Calloway's consolidated financial statements and management discussion and analysis for its most recently completed financial year.

SCHEDULE A

CHARTER OF THE AUDIT COMMITTEE

I. The Board of Trustees' Mandate for the Audit Committee

1. The Board of Trustees (the "**Board**") bears responsibility for the stewardship of Calloway Real Estate Investment Trust (the "**Trust**"). To discharge that responsibility, the Board supervises the management of the business and affairs of the Trust. The Board's supervisory function involves Board oversight or monitoring of all significant aspects of the management of the Trust's business and affairs.

Financial reporting and disclosure by the Trust constitutes a significant aspect of the management of the Trust's business and affairs.

The objective of the Board's monitoring of the Trust's financial reporting and disclosure (the "**Financial Reporting Objective**") is to gain reasonable assurance of the following:

a) that the Trust complies with all applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;

b) that the accounting principles, significant judgements and disclosures which underlie or are incorporated in the Trust's financial statements are the most appropriate in the prevailing circumstances;

c) that the Trust's quarterly and annual financial statements are accurate and present fairly the Trust's financial position and performance in accordance with generally accepted accounting principles; and

d) that appropriate information concerning the financial position and performance of the Trust is disseminated to the public in a timely manner.

The Board is of the view that the Financial Reporting Objective cannot be reliably met unless the following activities (the "**Fundamental Activities**") are conducted effectively:

a) the Trust's accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Trust's financial transactions;

b) the Trust's internal financial controls are regularly assessed for effectiveness and efficiency;

c) the Trust's quarterly and annual financial statements are properly prepared by management;

d) the Trust's quarterly and annual financial statements are reported on by an external auditor appointed by the unitholders of the Trust; and

e) the financial components of the Trust's Disclosure Policy are complied with by management and the Board.

To assist the Board in its monitoring of the Trust's financial reporting and disclosure, the Board hereby acknowledges the existence of a committee of the Board known as the Audit Committee (the "**Committee**"), as established in the Declaration of Trust (the "**Declaration**"). The Committee shall develop for the Board's approval a Charter which, amongst other things, will describe the activities in which the Committee will engage to operationalize the powers delegated to it in the Declaration, for the purpose of gaining reasonable assurance that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met.

2. Composition of the Committee

a) The Committee shall be appointed annually by the Board and consist of not less than three (3) members from among the Trustees of the Trust, each of whom shall be an independent trustee and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her objective judgement as a member of the Committee. Officers of the Trust including the Chairman of the Board, may not serve as members of the Audit Committee.

b) The Board shall designate the Chairman of the Committee.

3. Reliance on Experts

In contributing to the Committee's discharging of its duties under this mandate, each member of the Committee shall be entitled to rely in good faith upon:

a) financial statements of the Trust represented to him or her, by an officer of the Trust or in a written report of the external auditors, to present fairly the financial position of the Trust in accordance with Canadian generally accepted accounting principles ("**GAAP**"); and

b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Authority of the Committee

The Committee shall have the authority:

a) to institute investigations of improprieties, or suspected improprieties, within the scope of its responsibilities,

b) to inspect any and all books and records of the Trust and affiliated entities,

c) to discuss with Trust personnel, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers necessary and appropriate,

d) to engage independent counsel and other advisors as it determines necessary to carry out its duties, and

e) to access Trust resources including administrative support to assist in carrying out its duties.

5. Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this mandate, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met and to enable the Committee to report thereon to the Board.

II. Audit Committee Charter

The Audit Committee's Charter outlines how the Committee will satisfy the requirements set forth by the Board in its mandate. This Charter comprises:

- Operating Principles;
- Operating Procedures; and
- Specific Responsibilities and Duties.

A. Operating Principles

The Committee shall fulfill its responsibilities within the context of the following principles:

1) Values
The Committee expects the management of the Trust to operate in compliance with the Trust's Code of Business Conduct and Ethics and other policies; with laws and regulations governing the Trust; and to maintain strong financial reporting and control processes.

2) Communications
The Chairman (and others on the Committee) expects to have direct, open and frank communications throughout the year with management, other Committee Chairmen, the external auditors and other key Committee advisors as applicable.

3) Financial Literacy
All Audit Committee Members should be sufficiently versed in financial matters to understand the Trust's accounting practices and policies and the major judgements involved in preparing the financial statements.

4) Annual Audit Committee Work Plan
The Committee, in consultation with management and the external auditors, shall develop an annual Audit Committee Work Plan responsive to the Committee's responsibilities as set out in this Charter. In addition, the Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Trust's financial disclosure.

5) Meeting Agendas
Committee meeting agendas shall be the responsibility of the Chairman of the Committee in consultation with Committee members, senior management and the external auditors.

6) Committee Expectations and Information Needs
The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors at least two days in advance of meeting dates.

7) External Resources
To assist the Committee in discharging its responsibilities, the Committee may, in addition to the external auditors, at the expense of the Trust, retain one or more persons having special expertise.

8) In Camera Meetings
At a minimum of once per year, the members of the Committee shall meet in private session with the external auditors; with management; and with the Committee members only.

9) Reporting to the Board
The Committee, through its Chairman, shall report after each Committee meeting to the Board at the Board's next regular meeting.

10) **Committee Self Assessment**
The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.

11) **The External Auditors**
The Committee expects that, in discharging their responsibilities to the unitholders, the external auditors shall be accountable to the Board through the Audit Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

B. Operating Procedures

1) The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Meeting shall be held at the call of the Chairman, upon the request of any member of the Committee or at the request of the external auditors.

2) A quorum shall be a majority of the members. However, it shall be the practice of the Audit Committee to require review, and if necessary, approval of certain important matters by all members of the Audit Committee.

3) Unless the Committee otherwise specifies, the Secretary or Assistant Secretary of the Trust shall act as Secretary of all meetings of the Committee.

4) In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.

5) Questions arising at any meeting of the Committee shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman of the meeting shall not have a second or casting vote in addition to his original vote, if any.

6) Any member may participate in a meeting of the Committee by means of a conference telephone or other communication equipment by means of which all persons participating in the meeting can hear each other and a member so participating shall be considered to be present in person at that meeting.

7) A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Trust in a timely fashion.

8) A written resolution of the Committee, signed by all of the members of the Committee, is valid as if it had been passed at a meeting of the Committee.

C. Specific Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Financial Reporting

1) review the Trust's annual and quarterly financial statements with management and the external auditors to gain reasonable assurance that the statements are accurate, complete, represent fairly the Trust's financial position and performance and are in accordance with GAAP and report thereon to the Board before such financial statements are approved by the Board;

2) review with management and the external auditors the financial statements of the Trust's significant subsidiaries;

3) receive from the external auditors reports on their review of the annual and quarterly financial statements;

4) receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee;

5) review and, if appropriate, recommend approval to the Board of news releases and reports to unitholders issued by the Trust with respect to the Trust's annual and quarterly financial statements;

6) be satisfied that adequate procedures are in place for the review of the Trust's public disclosure of financial information extracted or derived from the Trust's financial statements and must periodically assess the adequacy of those procedures;

7) review and if appropriate, recommend approval to the Board of prospectuses, business acquisition reports, material change disclosures of a financial nature, management discussion and analysis, annual information forms and similar disclosure documents to be issued by the Trust;

8) review any correspondence that the Trust may receive from securities regulators or government agencies relating to financial reporting matters;

9) review the financial statement certification process;

Accounting Policies

1) review with management and the external auditors the appropriateness of the Trust's accounting policies, disclosures, key estimates and judgements, including changes or variations thereto;

2) obtain reasonable assurance that they are in compliance with GAAP; and report thereon to the Board;

3) review with management and the external auditors the degree of conservatism of the Trust's underlying accounting policies and key estimates and judgements;

Risk and Uncertainty

1) acknowledging that it is the responsibility of the Board, in consultation with management, to identify the principal business risks facing the Trust, determine the Trust's tolerance for risk and approve risk management policies, the Committee shall focus on financial risk and gain reasonable assurance that financial risk is being effectively managed or controlled by:

   a) reviewing with management the Trust's tolerance for financial risks;

   b) reviewing with management its assessment of the significant financial risks facing the Trust;

   c) reviewing with management the Trust's policies and any proposed changes thereto for managing those significant financial risks;

   d) reviewing with management its plans, processes and programs to manage and control such risks;

2) ascertain that policies and procedures are in place to minimize environmental, occupational health and safety and other risks to asset value and mitigate damage to or deterioration of asset value and review such policies and procedures periodically;

3) review policies and compliance therewith that require significant actual or potential liabilities, contingent or otherwise, to be reported to the Board in a timely fashion;

4) review interest rate risk mitigation strategies, including the use of derivative financial instruments;

5) review the adequacy of insurance coverages maintained by the Trust;

6) review regularly with management, the external auditors and the Trust's legal counsel, any legal claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Trust and the manner in which these matters have been disclosed in the financial statements;

Financial Controls and Control Deviations

1) review with management and in consultation with the external auditors the appropriateness and effectiveness of the Trust's internal controls, policies and business practices which impact the financial integrity of the Trust, including those relating to accounting, information systems, financial reporting, management reporting, insurance and risk management;

2) review the plans of the external auditors in regards to the evaluation and testing of internal financial controls;

3) receive regular reports from management, the external auditors and its legal department on all significant deviations or indications/detection of fraud and the corrective activity undertaken in respect thereto;

4) periodically review with management the need for an internal audit function;

Compliance with Laws and Regulations

1) review regular reports from management and others (e.g. external auditors) with respect to the Trust's compliance with laws and regulations having a material impact on the financial statements including:

    a) tax and financial reporting laws and regulations

    b) legal withholding requirements

    c) environmental protection laws and regulations

    d) other laws and regulations which expose directors to liability;

2) review the status of the Trust's tax returns and those of its subsidiaries;

Relationship with External Auditors

1) recommend to the Board the nomination of the external auditors or the discharge of the external auditor when circumstances are warranted;

2) approve the remuneration and the terms of engagement of the external auditors as set forth in the Engagement Letter;

3) when there is to be a change of external auditors, review all issues and provide documentation related to the change, as specified by the relevant securities commissions in Canada and the planned steps for an orderly transition period;

4) review the performance of the external auditors annually or more frequently as required;

5) receive annually from the external auditors an acknowledgement in writing that the unitholders, as represented by the Board and the Committee, are their primary client;

6) pre-approve all non-audit services to be provided to the Trust or its subsidiary entities by its external auditors or the external auditors of the Trust's subsidiary entities. The Audit Committee may satisfy the pre-approval requirement if:

    a) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more than five per cent of the total amount of revenues paid by the Trust to its external auditors during the fiscal year in which the services are provided;

    b) the services were not recognized by the Trust at the time of the engagement to be non-audit services; and

    c) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee;

7) receive a report annually from the external auditors with respect to their independence, such report to include a disclosure of all engagements (and fees related thereto) for non-audit services provided to the Trust;

8) review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit and the materiality levels which the external auditors propose to employ;

9) meet at a minimum of once per year with the external auditors in the absence of management to determine, inter alia, that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee and that there was no disagreement with management on a significant accounting issue;

10) establish effective communication processes with management and the Trust's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee;

Other Responsibilities

1) periodically review the form, content and level of detail of financial reports to the Board;

2) approve annually the reasonableness of the expenses of the Chairman of the Board and the Chief Executive Officer;

3) after consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the Trust's accounting and financial personnel and other resources;

4) review in advance the appointment of the Trust's senior financial executives;

5) establish procedures for the receipt, retention and treatment of complaints and concerns of employees, unitholders and members of the public received by the Trust regarding accounting, internal accounting controls, or auditing matters;

6) investigate any matters that, in the Committee’s discretion, fall within the Committee’s duties;

7) review reports from the external auditors, and/or other Committee Chairmen on their review of compliance with the Trust’s Code of Business Conduct and Ethics;

8) review and approve the Trust’s hiring policies regarding partners, employees and former partners and employees of the present or former external auditor of the Trust;

9) enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Committee;

10) review any significant transactions outside of the Trust’s ordinary course of business;

11) perform such other functions as may from time to time be assigned to the Committee by the Board;

Accountability

1) review and update this Charter on a regular basis for approval by the Board; and

2) review the description of the Committee’s activities as set forth in the Declaration of Trust.