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SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES THIRD QUARTER RESULTS FOR 2020

Focused on Growth

- **Transit City Condominium Closings Contribute to 13.1% Increase in FFO (12.3% Growth in FFO per Unit) with Continued Growth of FFO Expected in Q4**
- **Mixed-use Intensification Program Increasing with Construction on Transit City Condominiums, High-rise Residential Rentals at SmartVMC and Laval, Retirement Homes, Self-Storage Projects and Recently Received Approval to Permit an Additional 12.0 Million Sq. Ft. of Mixed-use Space in Cambridge**
- **Walmart-anchored Open-format Shopping Centres Providing Recurring Income with Committed Occupancy Rate of 97.4%**
- **Tenant Rent Collection Levels Continue to Improve**

TORONTO, ONTARIO - (November 11, 2020) SmartCentres Real Estate Investment Trust (“SmartCentres” or the “Trust”) (TSX: SRU.UN) is pleased to report its financial and operating results for the third quarter ended September 30, 2020.

“We describe SmartCentres as a real estate company enjoying substantial, secure and reliable recurring income while on a path forward to higher and better uses. Reliable income starting with our largest tenant, Walmart; higher and better uses from our onsite intensification and development program, which is well underway, on our excellent locations. Our third quarter is the strongest signal yet of things to come with the initial closings of 766 units in the first two phases of our Transit City condominiums, with the balance of 344 units expected to close before year end. After the repayment of our share of project level debt of $45 million, these closings have contributed approximately $30 million in FFO, or in excess of $0.17 in FFO per Unit to our Q3 results. We anticipate that these new development opportunities will continue to generate growth in FFO and NAV into the future,” said Mitchell Goldhar, Executive Chairman of SmartCentres.

“COVID-19 has not altered our long-term strategy as we remain intently focused on our initiatives to grow the business through mixed-use development. SmartVMC is just one of the many mixed-use communities that we are in the process of developing. We have more than 256 projects in our mixed-use development pipeline representing approximately 28 million square feet and more than 196 of these projects are expected to provide recurring income. During this pandemic period, we have accelerated our pursuit of many of our near-term planning and development initiatives such that over the next several years, we expect to grow SmartCentres’ vision in well-established communities including mid-town and downtown Toronto, Oakville, Mississauga, Vaughan, Scarborough, Pickering, Richmond Hill, Markham, Burlington, Barrie, Brampton, Oshawa, London, Cambridge, Montreal, Laval, Pointe-Claire, and Ottawa. Our intent is to replicate the achievements and success of SmartVMC in these various Canadian communities, resulting in continued earnings and NAV growth,” said Peter Forde, President and CEO of SmartCentres.

The Trust’s core business of owning and managing approximately 33.8 million square feet of predominately Walmart-anchored shopping centres was built for ‘heavy weather’. During this pandemic period, Walmart Canada’s sales levels have increased considerably and Walmart continues to demonstrate its industry-leading ability to drive high traffic levels to the Trust’s shopping centres across Canada. This has created industry-leading occupancy levels. When including committed deals, the Trust’s overall occupancy level was 97.4% in Q3, reflecting the resilience and strength of the Trust’s core portfolio.

The Trust has continued to work with each of its tenants to establish, where appropriate, mutually satisfactory arrangements that will allow for some relief of their rental obligations that are expected to permit these organizations to re-establish their operations as Canadians begin to 'get back to normalcy'. These collaborative efforts have resulted in the following improving collection experience (up to October 23, 2020) over the last six months:

Month[(1)]	**% of Gross Monthly Billings Collected Before Application of CECRA Related Arrangements**	**% of Gross Monthly Billings Collected After Application of CECRA Related Arrangements**
April	75.7 %	82.2 %
May	73.6 %	80.0 %
June	78.2 %	84.7 %
July	86.7 %	93.1 %
August	89.0 %	95.6 %
September[(2)]	89.5 %	96.1 %

(1) As of October 23, 2020, the Trust collected 90.8% of gross monthly billings for October.
(2) The CECRA program ended on September 30, 2020.

The table below provides additional details on the continued improvement in collections associated with the Trust's tenant billings, amounts received (up to October 23, 2020), expected recovery and related provisions for the three months ended September 30, 2020 and June 30, 2020.

(in thousands of dollars)	**Three Months Ended September 30, 2020**	**As a %**	**Three Months Ended June 30, 2020**	**As a %**	**Total for the Six Months Ended September 30, 2020**	**As a %**
Total tenant billings	199,587	100.0	202,072	100.0	401,659	100.0
Less: Amounts received directly from tenants to date	176,434	88.4	153,241	75.8	329,675	82.1
Balance outstanding	23,153	11.6	48,831	24.2	71,984	17.9
Less:						
Recovery from governments for CECRA	7,706	3.9	7,706	3.8	15,412	3.8
Amounts forgiven by the Trust for CECRA	3,853	1.9	3,853	1.9	7,706	1.9
Sales tax on CECRA	1,488	0.7	1,488	0.7	2,976	0.7
Tenant rent deferral arrangements negotiated or near completion	2,680	1.3	20,269	10.0	22,949	5.7
Rents to be collected before expected credit loss ("ECL") provision	7,426	3.7	15,515	7.7	22,941	5.7
Less: ECL provision for uncollectible amounts	5,564	2.8	7,920	3.9	13,484	3.4
Balance to be collected	1,862	0.9	7,595	3.8	9,457	2.4

Highlights

Mixed-Use Development and Intensification at SmartVMC

- Occupancy of both 55-storey Transit City 1 and 2 condo towers representing 1,110 residential units commenced on August 5th, with 766 units closed by the end of September and 100% of units expected to be closed by year-end. These closings contributed approximately $30.0 million in FFO ($0.17 in FFO per Unit) for the third quarter of 2020, and are expected to contribute over $49.0 million in FFO for the second half of 2020.(2) In addition, the 1,098 unit multi-level parking facility providing parking for both these condominium buildings and the neighbouring PwC/YMCA mixed-use facility is now fully functional.

- Construction of the 55-storey Transit City 3 condo tower representing 631 residential units continues to be on schedule and ahead of budget. The tower is now topped-off and closings are expected to commence in spring 2021.

- Construction is well underway on Transit City 4 (45 storeys) and 5 (50 storeys) condo towers, representing 1,026 sold residential units, with bulk excavation complete and tower cranes erected. Concrete and formwork for the multi-level underground parking garage is in progress.

- Construction is well underway on a 35-storey, 454-unit purpose-built residential rental building at SmartVMC, with the tower crane erected and concrete and formwork for the multi-level underground parking garage is in progress.

- Construction of the new Walmart store is complete, with Walmart's grand opening having taken place on October 22, 2020, allowing for the closing of the existing store on the SmartVMC site, and freeing up approximately 15.5 acres of valuable land for future mixed-use development close to the TTC subway station.

- Pre-sold 100% of the 22 townhomes, as part of the Transit City 1 & 2 project, with construction expected to commence later in 2020 and delivery of units expected in late 2021.

Other Business Development

- The completed first phase of the two-phase, purpose-built residential rental project in Laval, Quebec, which had initial move-ins by tenants commencing in March and, to date, approximately 80% of the 171-unit building has been leased. Construction of the next phase is expected in early 2021.

- The Trust completed construction of its first self-storage facility in Toronto (Leaside) which has been very well received by the local community with current occupancy levels ahead of expectations.

- Based on planning and rezoning work completed to date, the Trust expects to commence construction on two retirement home initiatives over the next six months with its joint venture partners, Revera and Selection Group in Barrie and Ottawa, respectively.

- Four additional self-storage facilities in Brampton, Vaughan, Oshawa, and Scarborough are currently under construction with completion expected later this year or in 2021. Additional self-storage facilities have been approved by the Board and we are in the process of obtaining municipal approvals in Aurora, Whitby, Toronto, Markham and an additional location in Brampton.

- With the newly issued Minister's Zoning Order, the Trust will immediately begin work to redevelop its 73-acre Cambridge retail property with various forms of residential, retail, office, institutional, and commercial uses to create a complete vibrant urban community representing over 12.0 million square feet.

- During the COVID-19 "shutdown", the Trust has been aggressively pursuing final municipal approvals for mixed-use density on many of its shopping centres during the past few months. Details are provided in the Management’s Discussion and Analysis.

Financial

- The Trust further improved its unsecured/secured debt ratio from 65%/35% to 67%/33%, as it repaid $63.2 million of secured debt and $13.4 million of unsecured debt and credit facilities this quarter, and is expected to repay the Series R unsecured floating-rate debentures with existing cash on hand when they mature on December 21, 2020.

- The Trust continues to add to its unencumbered pool of high-quality assets. As at September 30, 2020, its portfolio consisted of income properties valued at $5.8 billion (September 30, 2019 – $4.7 billion).

- Debt metrics continue to demonstrate the Trust's commitment to its balance sheet, including Debt to Total Assets of 44.3%, Interest Coverage multiple of 3.3X, Interest Coverage net of capitalized interest multiple of 3.8X, and Adjusted Debt to Adjusted EBITDA multiple of 8.5X.(3)

- Net income and comprehensive income was $111.0 million as compared to net income and comprehensive income of $95.1 million in the same period in 2019, representing an increase of $15.9 million. This increase was primarily attributed to earnings from equity accounted investment on the closings of Transit City 1 and 2 units of $31.8 million, partially offset by a $9.7 million increase in expected credit losses principally resulting from the impact of COVID-19.(1)

- FFO increased by $0.07 per Unit or $12.8 million to $110.1 million as compared to the same period in 2019, principally as a result of the Trust's share of profit on the closings of Transit City 1 and 2 units, which represented an increase in FFO per Unit of approximately $0.17.(2)

- ACFO increased by $14.7 million or 16.6% to $103.2 million as compared to the same period in 2019 principally as a result of distributions from equity accounted investment on the closings of Transit City 1 and 2 units of $29.2 million, partially offset by a $9.7 million increase in expected credit losses principally resulting from the impact of COVID-19.(2)

- ACFO exceeded both distributions declared and distributions paid by $23.6 million, as compared to the same period in 2019 of $11.3 million and $29.6 million, respectively. The change is primarily due to the Trust's share of profit on the closings of Transit City 1 and 2, partially offset by COVID-19 related expected credit loss provisions of $9.7 million and their associated impact on the Trust's cashflows from operations. Note also that the Trust suspended its DRIP program in April 2020.(2)

Operational

- Both committed and in-place occupancy rates maintained industry-leading levels of 97.4% and 97.1%, respectively, as at September 30, 2020, which are lower than the prior comparable quarter and reflect tenant closings during COVID-19.

- Rentals from investment properties and other was $186.3 million, as compared to $195.5 million in the same period in 2019, representing a decrease of $9.2 million or 4.7%. This decrease was primarily due to: i) lower CAM and realty tax recoveries as a result of lower recoverable costs incurred during the quarter, and ii) lower percentage rent, short-term rentals and other miscellaneous revenues as a result of the COVID-19 pandemic.

- Same Properties NOI for the three months ended September 30, 2020 decreased by $10.7 million or 8.3% as compared to the same period in 2019. This decrease was primarily due to an increase in expected credit losses recorded for the three months ended September 30, 2020 as a result of COVID-19. Excluding the higher expected credit losses of $9.7 million recorded in the three months ended September 30, 2020, Same Properties NOI would have been $127.5 million representing a decrease of $1.0 million or 0.8% as compared to the same period in 2019.(2)

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure.
(3) Net of cash-on-hand of $413.1 million as at September 30, 2020 for the purposes of calculating the ratio.

Selected Consolidated Operational, Development and Financial Information

Key consolidated operational, development and financial information shown in the table below includes the Trust's proportionate share of equity accounted investments as at September 30, 2020, December 31, 2019 and September 30, 2019.

(in thousands of dollars, except per Unit and other non-financial data)	**September 30, 2020**	December 31, 2019	September 30, 2019
Operational Information			
Total number of properties with an ownership interest	**166**	165	166
Gross leasable area including both retail and office space (in thousands of sq. ft.)	**34,051**	34,337	34,277
Occupied area including both retail and office space (in thousands of sq. ft.)	**33,076**	33,678	33,617
Vacant area including both retail and office space (in thousands of sq. ft.)	**975**	659	659
Committed occupancy rate	**97.4%**	98.2%	98.2%
In-place occupancy rate	**97.1%**	98.1%	98.1%
Average lease term to maturity (in years)	**4.7**	4.9	5.1
Net retail rental rate (per occupied sq. ft.)	**$15.45**	$15.49	$15.44
Net retail rental rate excluding Anchors (per occupied sq. ft.)	**$22.15**	$22.13	$22.04
Mixed-use Development Information			
Future development area (in thousands of sq. ft.)	**27,900**	27,900	N/A(5)
Total number of future projects currently in development planning stage	**256**	256	N/A(5)
Trust's share of estimated costs of future projects	**5,400,000**	5,500,000	N/A(5)
Financial Information			
Investment properties(2)(3)	**9,354,927**	9,466,501	9,280,212
Total assets(1)	**10,365,651**	9,928,467	9,704,677
Total unencumbered assets(2)	**5,763,400**	5,696,100	4,652,700
Debt(2)(3)	**4,908,808**	4,290,826	4,132,699
Debt to Aggregate Assets(2)(3)(4)	**44.3%**	42.3%	41.8%
Debt to Gross Book Value(2)(3)(4)	**49.8%**	49.0%	48.5%
Unsecured to Secured Debt Ratio(2)(3)(4)	**67%/33%**	63%/37%	55%/45%
Unencumbered assets to unsecured debt(2)(3)(4)	**1.9X**	2.1X	2.1X
Weighted average interest rate(2)(3)	**3.37%**	3.55%	3.66%
Weighted average term of debt (in years)	**4.9**	5.0	4.5
Interest Coverage Ratio(2)(3)(4)	**3.3X**	3.5X	3.3X
Interest coverage (net of capitalized interest expense)(2)(3)(4)	**3.8X**	4.0X	3.9X
Adjusted Debt to Adjusted EBITDA (net of cash)(2)(3)(4)	**8.5X**	8.0X	7.8X
Equity (book value)(1)	**5,197,315**	5,367,752	5,324,196
Weighted average number of units outstanding – diluted	**173,120,316**	171,858,434	171,255,329

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable.
(3) Includes the Trust's proportionate share of equity accounted investments.
(4) As at September 30, 2020, cash-on-hand of $413.1 million was excluded for the purposes of calculating the applicable ratios (December 31, 2019 – $37.0 million).
(5) N/A – information not available.

Quarterly Comparison to Prior Year

The following table represents key financial, per Unit, and payout ratio information for the three months ended September 30, 2020 and September 30, 2019:

(in thousands of dollars, except per Unit information)	**September 30, 2020**	September 30, 2019	Variance
	(A)	(B)	(A–B)
Financial Information			
Rentals from investment properties and other[1]	**186,344**	195,531	(9,187)
Net income and comprehensive income[1][3]	**111,033**	95,138	15,895
Net income and comprehensive income excluding fair value adjustments[2][3]	**105,214**	91,520	13,694
Cash flows provided by operating activities[1]	**79,100**	80,615	(1,515)
NOI[2]	**147,612**	128,645	18,967
FFO[2][3][4][5]	**110,107**	97,330	12,777
ACFO[2][3][4][5]	**103,200**	88,537	14,663
Distributions declared	**79,621**	77,264	2,357
Surplus of ACFO over distributions declared[2]	**23,579**	11,273	12,306
Surplus of ACFO over distributions paid[2]	**23,579**	29,647	(6,068)
Units outstanding[6]	**172,220,387**	170,689,152	1,531,235
Weighted average – basic	**172,112,821**	170,400,281	1,712,540
Weighted average – diluted[7]	**173,120,316**	171,255,329	1,864,987
Per Unit Information (Basic/Diluted)			
Net income and comprehensive income[1]	**$0.65/$0.64**	$0.56/$0.56	$0.09/$0.08
Net income and comprehensive income excluding fair value adjustments[2][3]	**$0.61/$0.61**	$0.54/$0.53	$0.07/$0.08
FFO[2][3][4][5]	**$0.64/$0.64**	$0.57/$0.57	$0.07/$0.07
Distributions declared	**$0.463**	$0.450	$0.013
Payout Ratio Information			
Payout ratio to FFO[2][3][4][5]	**72.3 %**	79.4 %	(7.1)%
Payout ratio to ACFO[2][3][4][5]	**77.2 %**	87.3 %	(10.1)%

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable.
(3) Includes the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" section in the MD&A for a reconciliation of these measures to the nearest consolidated financial statement measure.
(5) The calculation of the Trust's FFO and ACFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the February 2019 REALpac White Paper on FFO and ACFO, respectively. Comparison with other reporting issuers may not be appropriate. The payout ratio to FFO and the payout ratio to ACFO are calculated as declared distributions divided by FFO and ACFO, respectively.
(6) Total Units outstanding include Trust Units and LP Units, including Units classified as liabilities. LP Units classified as equity in the consolidated financial statements are presented as non-controlling interests.
(7) The diluted weighted average includes the vested portion of the deferred units issued pursuant to the deferred unit plan.

Year-to-Date Comparison to Prior Year

The following table represents key financial, per Unit, and payout ratio information for the nine months ended September 30, 2020 and September 30, 2019:

(in thousands of dollars, except per Unit information)	**September 30, 2020**	September 30, 2019	Variance
	(A)	(B)	(A–B)
Financial Information			
Rentals from investment properties and other[1]	**583,356**	598,710	(15,354)
Net income and comprehensive income[1][3]	**41,560**	270,619	(229,059)
Net income and comprehensive income excluding fair value adjustments[2][3]	**258,017**	261,216	(3,199)
Cash flows provided by operating activities[1]	**204,611**	213,964	(9,353)
NOI[2]	**382,103**	382,630	(527)
FFO[2][3][4][5]	**281,270**	277,403	3,867
ACFO[2][3][4][5]	**269,407**	262,850	6,557
Distributions declared	**239,101**	230,969	8,132
Surplus of ACFO over distributions declared[2]	**30,306**	31,881	(1,575)
Surplus of ACFO over distributions paid[2]	**47,783**	84,330	(36,547)
Units outstanding[6]	**172,220,387**	170,689,152	1,531,235
Weighted average – basic	**171,890,163**	169,277,340	2,612,823
Weighted average – diluted[7]	**172,873,206**	170,151,053	2,722,153
Per Unit Information (Basic/Diluted)			
Net income and comprehensive income[1]	**$0.24/$0.24**	$1.60/$1.59	$-1.36/$-1.35
Net income and comprehensive income excluding fair value adjustments[2][3]	**$1.50/$1.49**	$1.54/$1.54	$-0.04/$-0.05
FFO[2][3][4][5]	**$1.64/$1.63**	$1.64/$1.63	$—/$—
Distributions declared	**$1.388**	$1.350	$0.038
Payout Ratio Information			
Payout ratio to FFO[2][3][4][5]	**85.0 %**	83.3 %	1.7 %
Payout ratio to ACFO[2][3][4][5]	**88.8 %**	87.9 %	0.9 %

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable.
(3) Includes the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" section in the MD&A for a reconciliation of these measures to the nearest consolidated financial statement measure.
(5) The calculation of the Trust's FFO and ACFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the February 2019 REALpac White Paper on FFO and ACFO, respectively. Comparison with other reporting issuers may not be appropriate. The payout ratio to FFO and the payout ratio to ACFO are calculated as declared distributions divided by FFO and ACFO, respectively.
(6) Total Units outstanding include Trust Units and LP Units, including Units classified as liabilities. LP Units classified as equity in the consolidated financial statements are presented as non-controlling interests.
(7) The diluted weighted average includes the vested portion of the deferred units issued pursuant to the deferred unit plan.

Operational Highlights

For the three months ended September 30, 2020, net income and comprehensive income (as noted in the table above) increased by $15.9 million as compared to the same period in 2019. This increase was primarily attributed to the following:

- $19.0 million increase in NOI (see further details in the “Net Operating Income” subsection);
- $1.8 million increase in fair value adjustments on revaluation of investment properties;
- $1.0 million increase in interest income, which was primarily due to an increase in bank interest as a result of the increase in cash and cash equivalents;
- $0.5 million increase in fair value adjustment on financial instruments;
- $0.4 million increase in gain on sale of investment properties; and
- $0.2 million decrease in supplemental costs;

Partially offset by the following:

- $3.9 million increase in interest expense which was primarily due to the increase in average debt balance; and
- $3.1 million increase in net general and administrative expenses.

For the nine months ended September 30, 2020, net income and comprehensive income (as noted in the table above) decreased by $229.1 million as compared to the same period last year. This decrease was primarily attributed to the following:

- $266.7 million decrease in fair value adjustments on revaluation of investment properties principally due to changes in leasing and cash flow assumptions such as rental rates, lease renewal rates, leasing costs, downtime on lease expiries, vacancy allowance, among others, to reflect the impact of COVID-19;
- $5.1 million increase in general and administrative expenses (net);
- $2.2 million increase in acquisition-related costs;
- $0.5 million decrease in NOI (see further details in the “Net Operating Income” subsection); and
- $0.2 million decrease in gain on sale of investment properties;

Partially offset by the following:

- $40.9 million increase in fair value adjustment on financial instruments principally due to the fluctuation in the Trust’s Unit price as compared to the same period in 2019;
- $3.4 million increase in interest income which was principally due to the increase in average interest-bearing loan receivable balance and cash and cash equivalents; and
- $1.3 million net decrease in interest expense which was primarily due to $7.9 million of higher yield maintenance costs incurred as compared to the same period in 2019.

FFO Highlights

For the three months ended September 30, 2020, FFO increased by $12.8 million or 13.1% to $110.1 million. This increase was primarily attributed to:

- $19.0 million increase in NOI (see further details in the "Net Operating Income" subsection);
- $1.5 million increase in add back for indirect interest incurred in respect of equity accounted development projects which was primarily due to the development property acquisitions completed subsequent to Q3 2019;
- $1.0 million increase in interest income, which was primarily due to an increase in bank interest as a result of the increase in cash and cash equivalents as compared to the same period in 2019; and
- $0.2 million increase in FFO add back for both salaries and related costs attributed to leasing activities, and distributions on Units classified as liabilities;

Partially offset by:

- $3.9 million net increase in interest expense;
- $3.1 million net increase in net general and administrative expense;
- $1.2 million net decrease in changes in fair value of financial instruments and other adjustments; and
- $0.7 million decrease in adjustment of indirect interest incurred in respect of equity accounted development projects which was principally due to the Transit City condominium closings in 2020.

For the nine months ended September 30, 2020, FFO increased by $3.9 million or 1.4% to $281.3 million. This increase was primarily attributed to:

- $4.6 million increase in add back for indirect interest incurred in respect of equity accounted development projects which was primarily due to the development property acquisitions completed subsequent to Q3 2019;
- $3.4 million increase in interest income, which was principally due to the increase in average interest-bearing loan receivable balance and cash and cash equivalents as compared to the same period in 2019;
- $1.3 million net decrease in interest expense; and
- $0.4 million increase in FFO add back for salaries and related costs attributed to leasing activities;

Partially offset by:

- $5.1 million increase in net general and administrative expense; and
- $0.7 million decrease in add back for indirect interest incurred in respect of equity accounted development projects which was principally due to the Transit City condominium closings in 2020.

ACFO Highlights

For the three months ended September 30, 2020, ACFO increased by $14.7 million or 16.6% to $103.2 million compared to the same period in 2019, which was primarily due to the items previously identified.

The Payout Ratio relating to ACFO for the three months ended September 30, 2020 decreased to 77.2% as compared to the same period in 2019, which was largely the result of distributions from condominium closings of $29.2 million and the other items previously identified.

For the nine months ended September 30, 2020, ACFO increased by $6.6 million or 2.5% to $269.4 million compared to the same period in 2019, which was primarily due to the items previously identified.

The Payout Ratio relating to ACFO for the nine months ended September 30, 2020 increased by 0.9% to 88.8% as compared to the same period in 2019, which was primarily due to the items previously identified.

Development and Intensification Summary

Included in the Trust's large development pipeline are 256 identified mixed-use development initiatives, which are summarized in the following table:

Description	Underway (Construction underway or expected to commence within next 2 years)	Active (Construction expected to commence within next 3–5 years)	Future (Construction expected to commence after 5 years)	Total
Trust's share of number of projects				
Residential Rental	7	23	58	88
Seniors' Housing	4	13	28	45
Self-storage	10	16	22	48
Office Buildings	—	1	9	10
Hotels	—	—	5	5
Subtotal – Recurring income initiatives	21	53	122	196
Condominium developments	9	12	25	46
Townhome developments	2	5	7	14
Subtotal – Development income initiatives	11	17	32	60
Total	**32**	**70**	**154**	**256**
Trust's share of project area (in thousands of sq. ft.)				
Recurring income initiatives	3,500	5,000	12,500	21,000
Development income initiatives	2,200	1,600	3,100	6,900
Total Trust's share of project area (in thousands of sq. ft.)	**5,700**	**6,600**	**15,600**	**27,900**
Trust's share of such estimated costs (in millions of dollars)	**2,300**	**3,100**	**–** [(1)]	**5,400**

(1) The Trust has not yet fully determined the costs attributable to future projects and as such they are not included in this table.

As noted in the table above, the Trust is currently working on initiatives for the development of many properties, including the following mixed-use development initiatives for which final municipal approvals have or are being actively pursued:

a. the development of up to 5.3 million square feet of predominately residential space, in various forms, at Highway 400 & Highway 7, in Vaughan, Ontario, with a rezoning application submitted in December 2019 and a site plan application for the first four buildings totalling 1,742 units submitted in October 2020;

b. the development of up to 5.0 million square feet of predominately residential space, in various forms over the long term, in Pickering, Ontario, with the site plan application for a two-tower mixed-use phase, approximating 650,000 square feet, submitted in April 2020;

c. the development of up to 5.5 million square feet of predominately residential space, in various forms, at Oakville North in Oakville, Ontario, with the rezoning application for a three-tower 1,200-unit residential phase expected to be submitted in late fall 2020;

d. the development of up to 3.0 million square feet of predominately residential space, in various forms, at Westside Mall in Toronto, Ontario, with an application for the first mixed-use tower expected to be submitted in the late fall 2020;

e. the development of up to 1.7 million square feet of residential space in various forms at the Vaughan NW shopping centre in Vaughan, Ontario. Residential development includes townhomes, to be developed in partnership with Fieldgate; a seniors' apartment building and separate retirement residence to be developed in partnership with Revera, along with condominiums and residential rental buildings. Applications for these six towers have been submitted. In addition, a 100,000 square-foot self-storage facility is under construction and scheduled to open early in 2021;

f. the development of up to 1.5 million square feet of residential space, in various forms, in Pointe-Claire, Quebec, with the first phase, a two-tower rental project, being actively pursued;

g. the development of up to 318,000 square feet of residential space at Oakville South in Oakville, Ontario, including 158 units in a retirement residence project with Revera and townhomes;

h. the intensification of the Toronto StudioCentre (“StudioCentre”) in Toronto, Ontario (zoning allows for up to 1.2 million square feet);

i. the development of four high-rise purpose-built residential rental buildings comprising approximately 1,800 units with Greenwin, in Barrie, Ontario, for which a zoning application was submitted in December 2019 and a phase one site plan submitted in August 2020;

j. the development of a high-rise purpose-built residential rental tower, on Balliol Street in midtown Toronto, Ontario, with applications submitted in September 2020;

k. the development of up to 200,000 square feet of residential space in 137 townhomes at London Fox Hollow in London, Ontario, with site plan approval applications expected to be submitted in the late fall 2020;

l. the development of up to 1,600 residential units, in various forms, in Mascouche, Quebec, with the first phase consisting of two 10-storey rental towers approved by municipal council in August, with a construction start in early 2021;

m. the development of the first phase, 42-unit rental building, which is part of a multi-phase masterplan in Alliston, Ontario, with a rezoning application submitted in February and a site plan application submitted in May 2020;

n. the development of four additional self-storage facilities with the Trust’s partner, SmartStop, in Aurora, Brampton, Markham, and Whitby with zoning and/or site plan applications submitted in the last several months;

o. the development of residential density at the Trust’s shopping centre at 1900 Eglinton in Scarborough with rezoning and site plan applications for the first two residential towers are expected to be submitted in late 2020;

p. the development of residential density at the Trust’s shopping centre in Kirkland, Quebec, with zoning approvals expected in the late fall 2020;

q. the development of residential density at the Trust’s shopping centre at Bayview and Major Mackenzie in Richmond Hill, with the rezoning application for the first tower expected to be submitted in early 2021;

r. the development of more than four million square feet (4,600 units) of residential density on the land at SmartVMC previously occupied by a Walmart store, with the rezoning and site plan applications to be submitted for phase one of 550,000 square feet later in 2020; and

s. the development of 1.2 million square feet of mixed-use density – office, retail, and residential – on the SmartVMC lands immediately south of the Transit City 4 & 5 towers, with the rezoning and site plan applications submitted in September 2020.

Non-GAAP Measures

The non-GAAP measures used in this Press Release, including but not limited FFO, Transactional FFO, ACFO, NOI, Same Property NOI, average yield rates, and payout ratio do not have any standardized meaning prescribed by International Financial Reporting Standards (“IFRS”) and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined and discussed in 'Management’s Discussion and Analysis' ("MD&A") of the Trust for the nine months ended September 30, 2020, available on SEDAR at www.sedar.com.

Full reports of the financial results of the Trust for the three and nine months ended September 30, 2020 are outlined in the unaudited interim condensed consolidated financial statements and the related MD&A of the Trust for the three and nine months ended September 30, 2020, which are available on SEDAR at www.sedar.com. In addition, supplemental information is available on the Trust's website at www.smartcentres.com.

Conference Call

SmartCentres will hold a conference call on Thursday, November 12, 2020 at 2:00 p.m. (ET). Participating on the call will be members of SmartCentres’ senior management.

Investors are invited to access the call by dialing 1-855-353-9183 and then keying in the participant access code 93397#. You will be required to identify yourself and the organization on whose behalf you are participating.

A recording of this call will be made available Thursday, November 12, 2020 beginning at 8:30 p.m. (ET) through to 8:30 p.m. (ET) on Thursday, November 19, 2020. To access the recording, please call 1-855-201-2300, enter the Conference Reference Number 1252433# and then key in the participant access code 93397#.

About SmartCentres

SmartCentres Real Estate Investment Trust is one of Canada's largest fully integrated REITs, with a best-in-class portfolio featuring 166 strategically located properties in communities across the country. SmartCentres has approximately $10.4 billion in assets and owns 33.8 million square feet of income producing value-oriented retail space with 97.4% occupancy, on 3,500 acres of owned land across Canada.

SmartCentres continues to focus on enhancing the lives of Canadians by planning and developing complete, connected, mixed-use communities on its existing retail properties. A publicly announced $11.9 billion intensification program ($5.4 billion at SmartCentres' share) represents the REIT's current major development focus on which construction is expected to commence within the next five years. This intensification program consists of rental apartments, condos, seniors' residences and hotels, to be developed under the SmartLiving banner, and retail, office, and storage facilities, to be developed under the SmartCentres banner.

SmartCentres' intensification program is expected to produce an additional 59.3 million square feet (27.9 million square feet at SmartCentres' share) of space, 27.1 million square feet (12.3 million square feet at SmartCentres' share) of which has or will commence construction within next five years. From shopping centres to city centres, SmartCentres is uniquely positioned to reshape the Canadian urban and urban-suburban landscape.

Included in this intensification program is the Trust's share of SmartVMC which, when completed, is expected to include approximately 11.0 million square feet of mixed-use space in Vaughan, Ontario. Construction of the first five sold-out phases of Transit City Condominiums that represent 2,789 residential units continues to progress. Final closings of the first two phases of Transit City Condominiums began ahead of budget and ahead of schedule in August 2020 and as at September 30, 2020, 766 units (representing approximately 70% of all 1,110 units in the first and second phases) had closed with the balance of units expected to close before year end. In addition, the presold 631 units in the third phase along with 22 townhomes, all of which are sold out and currently under construction, are expected to close in 2021. The fourth and fifth sold-out phases representing 1,026 units are currently under construction and are expected to close in 2023. For more information, visit www.smartcentres.com.

Certain statements in this Press Release are "forward-looking statements" that reflect management's expectations regarding the Trust's future growth, results of operations, performance and business prospects and opportunities as further outlined under the headings "Business Overview and Strategic Direction", "Other Measures of Performance" and "Outlook" in Management's Discussion & Analysis of the Trust for the three and nine months ended September 30, 2020. More specifically, certain statements contained in this Press Release, including statements related to the Trust's maintenance of productive capacity, estimated future development plans and costs, view of term mortgage renewals including rates and upfinancing amounts, timing of future payments of obligations, intentions to secure additional financing and potential financing sources, and vacancy and leasing assumptions, and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may" and similar expressions and statements relating to matters that are not historical facts, constitute "forward-looking statements". These forward-looking statements are presented for the purpose of assisting the Trust's Unitholders and financial analysts in understanding the Trust's operating environment, and may not be appropriate for other purposes. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. However, such forward-looking statements involve significant risks and uncertainties, including those discussed under the heading "Risks and Uncertainties" and elsewhere in Management's Discussion & Analysis of the Trust for the three and nine months ended September 30, 2020 and under the heading "Risk Factors" in its Annual Information Form for the year ended December 31, 2019. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Press Release are based on what management believes to be reasonable assumptions, the Trust cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. These forward-looking statements are made as at the date of this Press Release and the Trust assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

However, such forward-looking statements involve significant risks and uncertainties.

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The Toronto Stock Exchange neither approves nor disapproves of the contents of this Press Release.